

P.S.C. NO. 3 ELECTRICITY

LEAF: 221.9

ORANGE AND ROCKLAND UTILITIES, INC.

REVISION: 1

INITIAL EFFECTIVE DATE: May 1, 2022

SUPERSEDING REVISION:

Issued in compliance with Order in Case 21-E-0074 dated 4/14/2022.

GENERAL INFORMATION**16. ADDITIONAL DELIVERY CHARGES AND ADJUSTMENTS (Continued)****16.3 REVENUE DECOUPLING MECHANISM ("RDM") ADJUSTMENT (Continued)****(B) Determination of RDM Adjustment**

For each customer group subject to the RDM Adjustment, the Company will compare, on a monthly basis, the difference between Actual Delivery Revenue and corresponding Delivery Revenue Targets. Actual Delivery Revenue is defined as the sum of total revenue derived from customer charges, delivery charges, and, if applicable, the reactive power demand charge as defined in the service classifications included in each customer group. Actual Delivery Revenue shall also include the revenue from the base rate energy efficiency and Low Income program components of the CBC Charge described in Rider N of this Rate Schedule. Commencing January 1, 2024, Actual Delivery Revenue will also include revenues associated with the Temporary Credit in the Energy Cost Adjustment. Actual Delivery Revenue shall not include revenues derived from the RDM Adjustment.

For each customer group subject to the RDM Adjustment, the Company will, on a monthly basis, compare Actual Delivery Revenue to a Delivery Revenue Target. If the monthly Actual Delivery Revenue exceeds the Delivery Revenue Target, the delivery revenue excess will be accrued for refund to customers at the end of the Annual RDM Period as defined below. Likewise, if the monthly Actual Delivery Revenue is less than the Delivery Revenue Target, this delivery revenue shortfall will be accrued for recovery from customers at the end of the Annual RDM Period.

Issued By: Robert Sanchez, President, Pearl River, New York