

**P.S.C. NO. 3 ELECTRICITY**  
**ORANGE AND ROCKLAND UTILITIES, INC.**  
INITIAL EFFECTIVE DATE: February 28, 2021

LEAF: 221.23  
REVISION: 0  
SUPERSEDING REVISION:

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## GENERAL INFORMATION

### 16. ADDITIONAL DELIVERY CHARGES AND ADJUSTMENTS (Continued)

#### 16.8 CHARGES FOR MUNICIPAL UNDERGROUNDING (Continued)

##### (C) Surcharge Calculation (Continued)

The surcharge will be calculated by dividing the levelized incremental annual revenue requirement (including the accrued interest, if any, due to deferred implementation of the surcharge) resulting from the undergrounding project by the estimated annual kilowatt hour consumption in such municipality, unless the Company and the municipality agree, in writing, to defer the collection of a portion of the surcharge. In the case of such deferred recovery, interest at the Company's weighted cost of capital awarded in its most recent electric rate proceeding shall be accrued on any such deferred amounts from the date of such deferral until the date such deferral ends. In such instances, the deferred amounts and accrued interest on the deferred amounts will be added to the Incremental Capital Costs and the surcharge will be recalculated.

The surcharge will remain in effect for the duration of the Surcharge Period.

The Company will submit to the Commission annually a reconciliation of revenue recoveries through each municipal surcharge and the corresponding incremental annual revenue requirement. Any over- or under-collections (differences between revenue recoveries and the incremental annual revenue requirement) shall be reconciled in the determination of the next year's municipal surcharge, except as provided above with respect to deferred implementation of the surcharge and deferred recovery of a portion of the surcharge.

The Company may adjust the incremental annual revenue requirement when the Commission approves changes in the Company's overall rate of return and/or when there are changes in property taxes affecting the Underground Facilities.

The surcharge will be adjusted to reflect a contribution, if any, by the affected municipality to cover the cost of undergrounding and any amount the Company determines is appropriate to cover out of utility capital and operating budgets that is recoverable in rates. In making this determination, the Company will consider any benefits of the undergrounding to customers and the general public; any costs that may be avoided due to the undergrounding; the remaining life and/or condition of the Overhead Facilities; the rate impact on customers generally; and other appropriate factors.

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

Suspended to 06/27/2021 by order in Case 21-E-0074. See Supplement No. 45. The supplement filing date was 02/26/2021.  
Suspended to 06/27/2021 by order in Case 21-E-0074. See Supplement No. 45. The supplement filing date was 02/26/2021.  
Suspended to 12/27/2021 by order in Case 21-E-0074. See Supplement No. 47. The supplement filing date was 06/08/2021.  
Suspended to 05/26/2022 by order in Case 21-E-0074. See Supplement No. 49. The supplement filing date was 12/01/2021.  
Cancelled by supplement No. 50 effective 04/21/2022