

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

LEAF: 221.9
 REVISION: 0
 SUPERSEDING REVISION:

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.

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.

For Service Classification No. 4 customer purchases of street lights from the Company resulting in the customer taking service under Service Classification No. 6 for such street lights, the applicable monthly differences between Actual Delivery Revenue and the Delivery Revenue Target shall be adjusted to account for estimates of the lower carrying cost on the net value of the assets, property taxes and depreciation realized by the Company as a result of the sale. Such adjustment shall be made only for street light purchases that were not reflected in the Delivery Revenue Targets.

Since loads served under Rider B, NYPA – Recharge New York ("RNY"), and usage above the Baseline Billing Determinants under Rider C, Excelsior Jobs Program ("EJP"), are exempt from the RDM, Delivery Revenue Targets will be revised for allocations made under RNY and deliveries under EJP. Delivery Revenue Targets will be decreased/increased as RNY and EJP customers move from/into RDM customer groups.

On a monthly basis, interest at the Commission's rate for other customer provided capital will be calculated on the average of the current and prior month's cumulative delivery revenue excess/shortfall (net of state and federal income tax benefits).

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