

**P.S.C. NO. 3 ELECTRICITY**  
**ORANGE AND ROCKLAND UTILITIES, INC.**  
 INITIAL EFFECTIVE DATE: January 26, 2016

LEAF: 215  
 REVISION: 3  
 SUPERSEDING REVISION: 2

## GENERAL INFORMATION

### 15. MARKET SUPPLY CHARGE ("MSC") (Continued)

#### 15.1 FORECAST MSC COMPONENT (Continued)

- Substation Service – Substation service customers under Service Classification No. 9, Service Classification No. 22, and Service Classification No. 25, Rates 3 and 4 who are exempt from Mandatory Day-Ahead Hourly Pricing;
- Transmission Service – Transmission service customers under Service Classification No. 9, Service Classification No. 22, and Service Classification No. 25, Rates 3 and 4 who are exempt from Mandatory Day-Ahead Hourly Pricing;
- Lighting – Service Classification Nos. 4, 6 and 16; and
- Traffic Lighting – Service Classification No. 5.

The Forecast MSC Component shall be comprised of: (a) a load shape weighted average of forecast peak and off-peak energy charges; ancillary services charges; NYPA Transmission Adjustment Charges ("NTAC"); NYISO charges allocated to the Company resulting from transmission projects approved through FERC, NYISO, and other Commission processes ("NYISO Transmission Charges"); (b) capacity charges; and (c) an estimate of hedging gains/losses. The charges listed in (a) and (b) above will be adjusted for losses using the loss factors set forth in General Information Section No. 31. Estimated hedging gains/losses will be applied through a Hedging Adjustment on a per kWh basis. The resulting class-specific Forecast MSC Component will be applied to all kWh usage during the billing month. For Service Classification Nos. 19, 20 and 21, separate peak and off-peak Forecast MSC Components will be determined based on the time periods defined in each service classification.

#### (A) Energy

The energy component of the Forecast MSC Component will be based upon the Company's forecast of peak and off-peak energy prices for NYISO Zone G.

#### (B) Ancillary Services Charge, NYPA Transmission Adjustment Charge, and NYISO Transmission Charges ("Ancillary Services/NTAC/NYISO Transmission Charges")

The Ancillary Services/NTAC/NYISO Transmission Charges component of the Forecast MSC Component shall be based on an estimate of the cost per kWh for such components for the billing month.

Issued By: Timothy Cawley President, Pearl River, New York