

P.S.C. NO. 3 ELECTRICITY**ORANGE AND ROCKLAND UTILITIES, INC.**

INITIAL EFFECTIVE DATE: December 1, 2016

Issued in compliance with Order in Case 14-M-0101 dated 5/19/2016.

LEAF: 397

REVISION: 0

SUPERSEDING REVISION:

SERVICE CLASSIFICATION NO. 25 (Continued)**SPECIAL PROVISIONS: (Continued)**

(F) (Continued)

(5) Billing Applicable to Each Account Supplied by the Generating Facility's Output (Continued)

(d) The customer will be assessed a Reactive Power Demand Charge per kVAr registered on the generating facility's export meter(s) at the time of the maximum kW demand; provided, however, that if the meter registers no kW demand, the charge per kVAr will be applied to the highest kVAr recorded during the billing period. The applicable charge is specified in General Information Section No. 7.16(D).

(G) Standby Reliability Credit

A Standby Reliability Credit ("Credit") is available to standby service customers with generating facilities who reduce their maximum measured demand during the Measurement Period below their established contract demand level. To be eligible for the Credit: (a) the generating facility's output must be separately metered using an Output Meter that the customer arranges to be furnished and installed at customer expense, (b) the customer, at its expense, must provide and maintain the communications service for the Output Meter; and (c) the output of the generating facility must be connected at a voltage lower than 100 kV. The Output Meter must be Commission-approved, revenue grade, interval metering with telecommunications capability. The metering must be compatible with the Company's metering infrastructure, including compatibility with the Company's meter reading systems and meter communication systems.

For the purposes of Special Provision G, the following definitions apply:

"Measurement Period" is weekdays from 8:00 a.m. to 11:00 p.m. during the previous two consecutive full Summer Periods. The Measurement Period will exclude Outage Events, regardless of cause, as selected by the customer, as well as holidays (i.e., Independence Day (observed) if it falls on a weekday and Labor Day).

"Outage Events" are up to three time blocks for each Summer Period that, in aggregate, are comprised of no more than five 24-hour time periods, excluding weekends and holidays. If a time block contains a time period of less than 24 hours, the time period will be rounded up to the next 24 hours (i.e., the 24-hour periods cannot be applied on a partial basis). If a time block encompasses a holiday or weekend, the start of the 24-hour period on the day prior to the holiday or weekend until the same hour the next business day will be considered to be a single 24-hour time period.

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