



Orange and Rockland Utilities, Inc.
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April 27, 2017

Kathleen H. Burgess
Secretary
New York State Department of Public Service
3 Empire State Plaza, 19th Floor
Albany, New York 12223

RE: Cases 14-E-0423 and 15-E-0191, Order Modifying Dynamic Load Management Filings and Making Other Findings

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. (the "Company" or "O&R") hereby submits for electronic filing with the Public Service Commission (the "Commission") revisions to its Schedule for Electric Service, P.S.C. No. 3 – Electricity (the "Tariff"). The tariff leaves, set forth in Appendix A to this letter, are issued April 27, 2017, with an effective date of May 1, 2017.

Reason for Filing

Ordering Clause 1 of the Commission's Order Modifying Dynamic Load Management Filings and Making Other Findings, issued and effective April 21, 2017, in Case Nos. 14-E-0423 and 15-E-0191 (the "April Order"), directed the electric distribution utilities to file, by May 1, 2017, tariff amendments to implement changes to their distribution level demand response programs for the 2017 capability period required in the body of the April Order.¹ The Company hereby files revisions to all of its existing distribution-level demand response programs: the Direct Load Control Program ("DLCP"), the Commercial System Relief Program ("CSRP"), and the Distribution Load Relief Program ("DLRP"). These programs are included in the Tariff under Riders D, E and F, respectively.

Tariff Changes

The Company has proposed the following changes to the Tariff.

Rider D – DLCP

- The Direct Install Option has been renamed the Company Provided Thermostat Option to allow for flexibility in the program design that may or may not include the direct installation of a control device. By removing this constraint, the Company can implement a more cost effective program.

¹ The Company had submitted draft tariff leaves on December 1, 2016, proposing changes to the distribution level demand response programs for the 2017 capability period. The April Order approved these tariff leaves with modifications. Today's filing incorporates those modifications.

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Rider E - CSRP

- The term "Advisory" has been added to the Definitions section. An Advisory of a possible Planned Event, as defined in the Tariff, will be given if the day-ahead forecasted load level is at least 92 percent of the forecasted summer system-wide peak. This change is being made so customers can avoid having to provide Load Relief, as defined in the Tariff, when it is not needed. Currently, the Company provides 21 hours' advance notice of a Planned Event, and cannot cancel the Planned Event even if system conditions change such that the Load Relief is no longer needed. This is similar to the way that the New York Independent System Operator provides notifications for the Special Case Resources program.
- The definition of Direct Participant was expanded to allow customers to aggregate multiple accounts within the Company's service territory and enroll directly with the Company provided that the collective load relief pledge is at least 50 kW and each account meets the terms of service in the Rider. Performance of Direct Participants will be measured on a portfolio basis consistent with the measurement of Aggregator performance. O&R believes that this clarification will increase customer enrollment and the total amount of Load Relief a customer is willing to commit.
- The definition of Planned Event was revised to be called on not less than two hours' advance notice if an Advisory was issued at least 21 hours in advance and the Company's same-day forecasted load level, as updated throughout the day, is at least 92 percent of the forecasted summer system-wide peak.
- The definition of Unplanned Event was revised to include situations when, in the Company's judgment, a targeted area needs Load Relief. An example would be where a targeted area, but not the system, is forecasted to peak.
- Language was added to Section A of the Applications and Terms of Service to clarify that the application means the CSRP enrollment application. The Company also deleted language that only applied to the summer of 2016.
- Language was eliminated from Section B of the Applications and Terms of Service to provide more flexibility to customers who seek to add resources to provide load relief. Currently, Direct Participants and Aggregators are not able to increase the kW of contracted Load Relief for the upcoming Capability Period unless they have a Performance Factor of 1. This is not necessary since existing Direct Participants and Aggregators will be assigned the prior year's Performance Factor, subject to true-up based on actual performance in the first month in which a Load Relief Period or Test Event is called.
- Language was added to Section D of the Application and Terms of Service to clarify that the Company will accept participation under CSRP by diesel-fired generation older than model year 2000 if a professional engineer certifies that the NOx level is no more than 2.96 lb/MWh.
- Language was eliminated from Section E of the Application and Terms of Service which required customers to provide a generator serial number because some participants have trouble obtaining this information and the Company does not use it. Additionally,

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the Company indicated that the New York State Department of Environmental Conservation ("DEC") permit or registration is required. The Tariff currently refers to permits only. The Company added that a copy of the required DEC permit or registration may be submitted within seven days of applying for the CSRP. If the permit or registration has not yet been issued by the DEC, a copy of the application to the DEC may instead be submitted, provided that a copy of the actual DEC permit or registration is submitted before commencing service under the CSRP. This will allow customers to participate in the CSRP if their permit or registration was not yet issued at the time of application but will be issued before commencement of service.

- In the Notification By The Company and Required Response section the Company revised the notification for Planned Events and added language for an Advisory. Text for notification of Test Events was also added for clarification.
- In Section E of the Reservation Payment Option the Company added language that existing Direct Participants and Aggregators will be assigned the prior year's Performance Factor, subject to true-up based on actual performance in the first month in which a Load Relief Period or Test Event is called. Language pertaining to the 2015 and 2016 Capability Periods was also deleted.

Rider F - DLRP

- The definition of Direct Participant was expanded to allow customers to aggregate multiple accounts within the Company's service territory and enroll directly with the Company provided that the collective load relief pledge is at least 50 kW and each account meets the terms of service in the Rider. Performance of Direct Participants will be measured on a portfolio basis consistent with the measurement of Aggregator performance. O&R believes that this clarification will increase customer enrollment and the total amount of Load Relief a customer is willing to commit.
- Language was added to Section A of the Applications and Terms of Service to clarify that the application means the DLRP enrollment application. The Company also deleted language that only applied to the summer of 2016.
- Language was eliminated from Section B of the Applications and Terms of Service to provide more flexibility to customers who seek to add resources to provide load relief. Currently, Direct Participants and Aggregators are not able to increase the kW of contracted Load Relief for the upcoming Capability Period unless they have a Performance Factor of 1. This is not necessary since existing Direct Participants and Aggregators will be assigned the prior year's Performance Factor, subject to true-up based on actual performance in the first month in which a Load Relief Period or Test Event is called.
- Under Section D of the Application and Terms of Service, the Company eliminated the requirement for a generator's serial number because some participants have trouble obtaining this information and the Company does not use it.
- In the Notification By The Company and Required Response section, the Company added language to describe notification for Test Events.

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- In Section E of the Reservation Payment Option the Company added language that existing Direct Participants and Aggregators will be assigned the prior year's Performance Factor, subject to true-up based on actual performance in the first month in which a Load Relief Period or Test Event is called. Language pertaining to the 2015 and 2016 Capability Periods was also deleted.

Conclusion and Notice

As directed by the April Order, the Company is filing these tariff amendments with an effective date of May 1, 2017 on not less than one day's notice. Pursuant to Ordering Clause 4 of the April Order, the requirement for newspaper publication is waived.

Any questions regarding this filing can be directed to Cheryl Ruggiero at (212) 460-3189.

Very truly yours,

/s/

William A. Atzl, Jr.

Director – Rate Engineering

**Orange and Rockland Utilities, Inc.
Distribution Demand Response Programs
Proposed Tariff Leaves Effective May 1, 2017**

P.S.C. No. 3 Electricity

2nd	Revised Leaf No.	155.2
3rd	Revised Leaf No.	156
2nd	Revised Leaf No.	156.1
2nd	Revised Leaf No.	156.2
3rd	Revised Leaf No.	156.3
2nd	Revised Leaf No.	156.4
2nd	Revised Leaf No.	156.5
2nd	Revised Leaf No.	156.6
2nd	Revised Leaf No.	156.7
2nd	Revised Leaf No.	156.8
2nd	Revised Leaf No.	156.10
2nd	Revised Leaf No.	157.1
2nd	Revised Leaf No.	157.2
3rd	Revised Leaf No.	157.3
2nd	Revised Leaf No.	157.4
2nd	Revised Leaf No.	157.5
2nd	Revised Leaf No.	157.9