



Orange and Rockland Utilities, Inc.
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May 29, 2018

Kathleen H. Burgess
Secretary
New York State Department of Public Service
3 Empire State Plaza, 19th Floor
Albany, New York 12223-1350

RE: Cases 14-E-0423 et al., Proceeding on Motion of the
Commission to Develop Dynamic Load Management
Programs

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") is filing with the Public Service Commission (the "Commission") amendments to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY (the "Electric Tariff").

The Company's tariff leaves and statement are issued with an effective date of June 1, 2018. The specific tariff leaves and statement being revised are identified in Appendix A.

Reason for Filing

On August 22, 2016, the Company filed a draft proposal with the Commission to amend its method of cost recovery for its Dynamic Load Management ("DLM") programs: Direct Load Control ("DLC") Program, Commercial System Relief Program ("CSRP"), and Distribution Load Relief Program ("DLRP"). The Company's current DLM programs are offered under Rider D – Direct Load Control Program, Rider E – Commercial System Relief Program, and Rider F – Distribution Load Relief Program of the Electric Tariff, respectively.

On April 19, 2018, the Commission issued an Order Directing Tariff Filings, (the "April 2018 Order") in the above-referenced proceeding directing the Company to file tariff amendments, to be effective on May 1, 2018, that: (1) allocate the costs associated with CSRP to all service classes using the Company's transmission demand allocator; (2) to the extent practicable, allocate the costs associated with the DLC Program and DLRP to service classes served at the primary voltage level and below using the Company's primary distribution demand allocator; and (3) provide for the recovery of the costs of these programs from non-demand billed customers on a per kWh basis, and from demand billed customers on a per kW basis through existing delivery rate lines on customers' bills.

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On April 27, 2018, the Commission granted the Company's request to extend the directive effective date from May 1, 2018, as directed by the April 2018 Order, to June 1, 2018 (the "Extension Ruling").

Tariff Changes

Pursuant to the April 2018 Order, the Company is implementing the draft tariff leaves filed on August 22, 2016, with the following changes:

- The DLM Surcharge has been added as General Information Section 24 of the Electric Tariff and references to the DLM Surcharge have been added to the individual service classifications that will be assessed the new surcharge.
- DLRP and DLC Program costs will be allocated based on the Company's most recently filed primary distribution demand (D02) allocators.
- CSRP costs will be allocated based on the Company's most recently filed transmission demand (D01) allocators.
- Additional customer groups were added for substation and transmission customers served under SC Nos. 9 and 22 since these customers are not assessed costs for the DLRP and DLC Program.
- Interest on any under- or over-collections from the reconciliation of the DLM program costs and recoveries will be calculated at the Customer Deposit Rate.
- The April 2018 Order specifies that the DLM Surcharge is to be included in the same line item on customers' bills that the Value of Distributed Energy Resources ("VDER") costs are being recovered. VDER costs to be recovered are included with the Energy Cost Adjustment ("ECA") for purposes of billing; therefore, the DLM Surcharge will also be included with the ECA for the purposes of billing.
- General Information Section 25 - Energy Cost Adjustment ("ECA") was revised to reflect that costs from the CSRP, DLRP, and DLC Program incurred on or after May 1, 2018 will cease to be recovered through the ECA.

Statement

The Company is filing a new Statement of Dynamic Load Management Surcharge – DLM Statement No. 1 to the Electric Tariff to recover the DLM program costs.

Conclusion and Notice

As directed by the Extension Ruling, the Company is filing changes to the Electric Tariff to become effective on June 1, 2018 on not less than three days' notice. Pursuant to Ordering Clause 2 of the April 2018 Order, the Commission has waived the requirements for newspaper publication.

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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

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List of Revised Tariff Leaves and Statement

P.S.C. No. 3 Electricity

5th	Revised Leaf No.	5
5th	Revised Leaf No.	249
	Original Leaf No.	249.1
6th	Revised Leaf No.	251
7th	Revised Leaf No.	252
3rd	Revised Leaf No.	265
5th	Revised Leaf No.	271
5th	Revised Leaf No.	277
10th	Revised Leaf No.	285
10th	Revised Leaf No.	290
11th	Revised Leaf No.	295
9th	Revised Leaf No.	309
10th	Revised Leaf No.	333
3rd	Revised Leaf No.	342
5th	Revised Leaf No.	346
5th	Revised Leaf No.	351
5th	Revised Leaf No.	357
3rd	Revised Leaf No.	376

Statement of Dynamic Load Management Surcharge - DLM-1