



Orange and Rockland Utilities, Inc.  
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July 2, 2021

Honorable Michelle L. Phillips  
Secretary  
New York State Public Service Commission  
Three Empire State Plaza, 19<sup>th</sup> Floor  
Albany, New York 12223-1350

**RE: Case 15-E-0751, In the Matter of the Value of  
Distributed Energy Resources**

Dear Secretary Phillips:

Orange and Rockland Utilities, Inc. (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 revised Electric Tariff leaves, which are identified in Appendix A, are filed to become effective on September 1, 2021.

**Tariff Changes**

The Commission's Order Clarifying Banking Rules Under the Community Distributed Generation Program, issued May 17, 2021, in the above referenced proceeding (the "Order"), directed each utility to file tariff amendments incorporating modifications aimed at providing consistency in credit banking rules for the Community Distributed Generation ("CDG") program as described in the body of the Order. The Company has modified the Electric Tariff as described below.

- The definitions listed in the Applicability Section of Rider N have been amended to include a new definition for "CDG Host Banked Credit", which is defined as the unallocated credits from either the Value Stack, Grandfathered Net Metering or Phase One NEM CDG Host Account that will be added to the retained credits on the CDG Host Account pursuant to the Billing – Remote Net Metering and Community Distributed Generation Section of Rider N.
- The Remote Net Metering and Community Distributed Generation Section of Rider N has been amended as follows:
  - Under the Application by CDG Hosts section, the Company has established that a customer that was formerly a CDG Satellite Account may not be allocated credit from a CDG Host until the billing period after which all kWh or monetary credits described in paragraphs (C)(5) and (C)(6) of the Billing –

Honorable Michelle L. Phillips

July 2, 2021

Page 2 of 5

Grandfathered Net Metering and Phase One NEM Section of Rider N, as applicable, are transferred to the former CDG Host Banked Credit.

- The Company has restructured the Allocation of Generator's Output in the Community Distributed Generation Section of Rider N with four new sub-sections to help distinguish the differences between allocation types. The four new sub-sections are: (d) Initial Allocation, (e) Monthly Allocation, (f) CDG Host Banked Credit Allocation, and (g) Annual CDG Host Banked Credit Allocation.
  - The Allocation of Generator's Output Section clarifies that the Company will rely exclusively on the CDG Host's allocations pursuant to the Initial Allocation and Monthly Allocation Sections to verify the CDG Satellite Account's participation in the CDG Host's project.
  - The Initial Allocation and Monthly Allocation Sections describe specific rules for CDG Hosts served under Grandfathered Net Metering, Phase One NEM and Value Stack Tariff Service. These sections also specify that unallocated credits will be added to the CDG Host Banked Credit for future distribution to the CDG Satellites, pursuant to the CDG Host Banked Credit Allocation and Annual CDG Host Banked Credit Allocation Sections.
  - The CDG Host Banked Credit Allocation Section states that the CDG Host Account may allocate to CDG Satellite Accounts any portion of its CDG Host Banked Credit if written instructions are received by the Company 15 days before the CDG Host Account is next billed. The CDG Host may also allocate credits to any of their active CDG Satellites, including to non-Mass Market Satellites who are otherwise ineligible to receive the Market Transition Credit.
  - The Annual CDG Host Banked Credit Allocation Section adds language clarifying that the two years that the CDG Host Account may retain any undistributed credit that remains after the Annual Credit or Annual Value Stack CDG Credit is distributed to the CDG Satellite Accounts, is measured from the end of the annual period in which credits were added to the CDG Host Banked Credit.
- In the Determination of CDG Satellite's Net Member Credits Section under the CDG Net Crediting Program section, language has been added to clarify that all provisions relating to the CDG Host Banked Credit relating to any credits that have been carried forward from a CDG Satellite's preceding billing periods pursuant to the Billing – Grandfathered Net Metering and Phase One NEM Section of Rider N shall be extended to CDG Net Crediting projects.
- The Billing – Grandfathered Net Metering and Phase One NEM Section of Rider N has been amended as follows:
  - Language has been added to clarify that, after a CDG Satellite is removed from a monthly allocation by its CDG Host, pursuant to paragraphs (C)(5) and (C)(6) of the Billing – Grandfathered Net Metering and Phase One NEM Section of

Honorable Michelle L. Phillips

July 2, 2021

Page 3 of 5

Rider N, or its final bill is rendered on a net-metered customer's account, including the account of an RNM or CDG Host, any remaining kWh credit will not be cashed out or transferred, except as described in subsection (I) of the Billing – Grandfathered Net Metering and Phase One NEM Section of Rider N. Any remaining CDG Host Banked Credit will not be refunded or transferred.

- Language has been added to specify that when a CDG Satellite Account is closed, any remaining kWh or monetary credits described in paragraph (B)(3) of the Remote Net Metering and Community Distributed Generation Section of Rider N, as applicable, will be transferred to the CDG Host Banked Credit after the CDG Satellite's final bill is rendered.
- The Billing – Value Stack Tariff Section of Rider N has been amended as follows:
  - The Company will transfer any banked monetary credits associated with a CDG Satellite Account to the CDG Host Banked Credit when a customer is no longer designated as a CDG Satellite Account on the CDG Host's monthly allocation form, pursuant to paragraph (B)(2) of the Remote Net Metering and Community Distributed Generation Section of Rider N.
  - A customer that was formerly a CDG Satellite may not be allocated credit from a CDG Host until the billing period after which all monetary credits are transferred to the CDG Host Banked Credit associated with the customer's former CDG Host.
  - When a CDG Satellite Account is closed, any remaining monetary credit described in the Billing – Value Stack Tariff Section of Rider N, as applicable, will be transferred to the CDG Host Banked Credit after the CDG Satellite's final bill is rendered.
  - Any remaining banked monetary credits removed from a CDG Satellite's bank and added to a CDG Host Bank Credit will be returned in full without any reduction for the Market Transition Credit or Community Credit, if applicable. CDG Hosts are permitted to reallocate returned credits among any of their active CDG Satellites in accordance with paragraph (E) of the Billing – Value Stack Tariff Section of Rider N; returned credits may also be reallocated to non-Mass Market Satellites who are otherwise ineligible to receive Market Transition Credit or Community Credit compensation.
- General Information Section No. 27, Value of Distributed Energy Resources ("VDER") Cost Recovery, has been amended as follows:
  - The MTC Component Cost Recovery language has been modified to state that the credits associated with customer-generators for the Market Transition Credit will be collected from the service classification group(s) that receive the credits. Separate rates will be determined for the service classification group(s) under the Electric Tariff.

Honorable Michelle L. Phillips  
July 2, 2021  
Page 4 of 5

**Conclusion and Notice**

Ordering Clause 1 of the Order directed the Joint Utilities<sup>1</sup> to file tariff amendments to implement the modification described in the Order, to become effective on August 2, 2021. However, pursuant to your letter dated June 30, 2021 the request by the Joint Utilities to extend the effective date of the tariff amendments was granted. Accordingly, the Company is filing these tariff amendments to become effective on September 1, 2021.

As specified in Ordering Clause 3 of the Order, the Commission has waived the requirements for newspaper publication.

Very truly yours,

/s/

William A. Atzl, Jr.  
Director – Rate Engineering

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<sup>1</sup> The Joint Utilities consist of the Company, Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., Niagara Mohawk Power Corporation d/b/a National Grid, New York State Electric & Gas Corporation, and Rochester Gas and Electric Corporation (“Joint Utilities”).

Honorable Michelle L. Phillips  
July 2, 2021  
Page 5 of 5

## APPENDIX A

### Electric Tariff Leaves

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
180.1.1	3	1
181.2	5	4
181.3.3	1	0
181.4	6	5
181.4.1	0	
181.4.2	0	
181.5	7	6
181.5.1	2	1
181.5.1.1	0	
181.5.2	2	1
181.5.3	2	1
181.5.4	1	0
185.2	2	1
185.9.2	2	1
185.9.3	0	
185.14	2	0
186	3	2
254.1	3	1