



Orange and Rockland Utilities, Inc.
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New York NY 10003-0987
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December 2, 2019

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

RE: Case No. 18-G-0068, Proceeding on Motion of the
Commission as to the Rates, Charges, Rules and
Regulations of Orange and Rockland Utilities, Inc. for Gas
Service

Dear Secretary Phillips:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") hereby submits for filing certain tariff leaves and a statement reflecting revisions to its Schedule for Gas Service, P.S.C. No. 4 – GAS ("Gas Tariff").

This filing is made in compliance with the Commission's Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans, issued March 14, 2019, in the above-referenced proceeding ("Rate Order").¹ The Rate Order provides for a three-year gas rate plan in which Rate Years ("RY") 1, 2, and 3 are the twelve-month periods commencing January 1, 2019, January 1, 2020, and January 1, 2021, respectively.

The tariff leaves and statement set forth in Appendix A to this letter are issued December 2, 2019, to become effective on January 1, 2020.

The purpose of this filing is to implement the delivery rate changes for RY2.

Summary of Tariff Modifications

The rates shown on the enclosed tariff leaves reflect the RY2 rate design process described in Appendix 18 of the Joint Proposal.

RY2 delivery rates have been set in a manner to recover an incremental revenue requirement of \$992,000. The \$992,000 was then adjusted to remove New York State Gross Receipts Tax and Franchise Tax surcharge revenues, Municipal Tax surcharge revenues, and

¹ The Rate Order adopted terms of a Joint Proposal dated November 9, 2018 ("Joint Proposal").

Honorable Michelle L. Phillips
December 2, 2019
Page 2 of 2

Metropolitan Transportation Authority Business Tax surcharge revenues. The result is a net delivery revenue increase of \$974,000.²

The enclosed tariff leaves reflect the following modifications in accordance with the Rate Order.³

1. General Information Section No. 6, Metering and Billing, Subsection 6.5(2)(B), Utility Single Billing Service, has been revised to establish a Purchase of Receivables ("POR") Discount Percentage of 1.183% for RY2.⁴
2. Riders B and C for customers with distributed generation have been revised to reflect changes in delivery charges in accordance with Appendix 18 of the Joint Proposal.
3. SC Nos. 1, 2, and 6 have been revised to reflect changes in delivery charges in accordance with Appendix 18 of the Joint Proposal.

Statement of Delivery Revenue Surcharge

The Company is filing a Statement of Delivery Revenue Surcharge – SDR Statement No. 2 to the Gas Tariff. Effective January 1, 2020, the Company will cease refund of amounts related to the credit of allowed pure base revenue charges that resulted from the extension of the suspension period in the above-referenced proceeding. Consistent with General Information Section No. 24 of the Gas Tariff, the Company will file a subsequent statement to reconcile any difference between amounts required to be refunded and the actual amounts refunded under the Gas Tariff. The Company will file this statement for rates effective March 1, 2020.

Conclusion and Notice

The Company will publish notice of this filing in accordance with Ordering Clause 5 of the Rate Order. Please direct any questions regarding this filing to Cheryl Ruggiero at (212) 460-3189.

Very truly yours,

/s/

William A. Atzl, Jr.
Director – Rate Engineering

c: Active Parties, Case No. 18-G-0068 (via electronic mail)

² An additional \$44,000 in low income credits will also be collected through RY2 delivery rates.

³ A housekeeping change was made to leaf 80 to correct a spacing issue.

⁴ The change in the POR Discount Percentage is the result of: (a) an update to reflect the RY2 level of credit and collections cost; (b) revised uncollectibles percentages based on the Company's actual uncollectibles experience applicable to all gas POR-eligible customers for the twelve-month period ended September 30, 2019; and (c) a revised risk factor set at 20 percent of the revised uncollectible percentages.