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June 10, 2019

Honorable Kathleen H. Burgess Secretary New York State Public Service Commission Three Empire State Plaza, 19th Floor Albany, New York 12223-1350

RE: Case 18-E-0549, Tariff Filing by Orange and Rockland Utilities, Inc. to Modify Its Electric Tariff Schedule, P.S.C. No. 3, to Establish Rider J - Smart Home Rate.

Dear Secretary Burgess:

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

The revised Tariff Leaves, which are identified below, are filed to become effective on October 1, 2019:

<u>Leaf No.</u>	Revision No.	Superseding No.
168	6	5
169.1	3	2

Reason for Filing

In its *Order Approving Tariff Amendments with Modifications*, issued and effective February 7, 2019 (the "Order") in Case 18-E-0549, the Commission approved the Company's August 23, 2018 filing to establish rates for its proposed Smart Home Rate Demonstration Project ("SHR"). The Order (at p. 14) directed the Company to file tariff revisions implementing modifications as specified in the Order. These modifications were filed on February 25, 2019 and became effective March 1, 2019.

SHR rates were established under Rider J in the Electric Tariff. Participants in the SHR¹ are to be billed under one of two new rates, designated Rate I and Rate II, both of which were designed to be revenue neutral on a class basis. Each rate option included three primary components: (1) time-variant energy supply charges; (2) demand delivery charges; and (3) critical peak event charges.

Since the Commission's issuance of the Order, the Company has conducted an additional analysis of customer interval usage data that indicates that the demand-based rates should be adjusted downward by approximately 4.1 percent. Therefore, the Company proposes

¹ Rider J is available on an opt-in basis to eligible Service Classification No. 1 Customers.

Received: 06/10/2019

Honorable Kathleen H. Burgess June 10, 2019 Page 2 of 2

to adjust the demand-based SHR rates downward to reflect the revised billing determinants so that the SHR rates will be based on the most recent, accurate data. Since the Company has not yet begun billing customers under the SHR and such billing is not expected to commence until at least October 1, 2019, no current customer billing will be affected by these proposed changes.

Tariff Changes

The Company is proposing to reduce the demand-based delivery rates included in Rider J.

Conclusion and Notice

The Company will provide public notice of the tariff changes in this filing by means of newspaper publication once a week for four consecutive weeks prior to the effective date of the proposed tariff changes. Included is a proposed form of Notice of Proposed Rule Making for publication in the State Register pursuant to the State Administrative Procedures Act.

Very truly yours,

/s/

William A. Atzl, Jr. Director – Rate Engineering