



April 23, 2014

Honorable Kathleen H. Burgess  
Secretary to the Commission  
State of New York  
Public Service Commission  
Three Empire State Plaza  
Albany, New York 12223

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. (the "Company") hereby submits for electronic filing with the Public Service Commission (the "Commission") the following tariff leaves reflecting revisions to its Schedule for Electric Service, P.S.C. No. 3 – Electricity (the "Electric Tariff").

2nd Revised Leaf No. 216  
3rd Revised Leaf No. 219

These leaves are issued April 23, 2014, to become effective August 19, 2014.

### **Background**

The existing Market Supply Charge ("MSC") provisions contained in General Information Section No. 15 of the Electric Tariff indicate that full service customers not subject to Mandatory Day Ahead Hourly Pricing ("MDAHP") will be subject to capacity charges determined based on the pre-capability period strip auction price paid by the Company for the capacity it purchases from the NYISO for Zone G. General Information Section No. 15 also indicates that full service customers subject to MDAHP will be charged for capacity based on the monthly auction price paid by the Company for the capacity it purchases from the NYISO for Zone G.

### **Tariff Changes**

Effective May 1, 2014, the NYISO will establish a new capacity zone that covers the area currently designated as Zones G, H, I and J ("G-J Locality").<sup>1</sup> Under NYISO rules, the Company will be required to procure a percentage of its capacity requirement from suppliers electrically located within the G-J Locality. The Locational Minimum Installed Capacity Requirement that the Company must obtain from the G-J Locality will be established annually by the NYISO.

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<sup>1</sup> The Company's service area is entirely contained in Zone G (Hudson Valley).

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In light of these changes and in order to avoid any misinterpretation, the Company is making housekeeping changes to the Tariff to remove the specific references to Zone G with respect to its capacity purchases.

**Conclusion and Notice**

This filing is proposed to become effective on August 19, 2014. Because the requested changes are for housekeeping purposes, the Company requests waiver of the requirement for newspaper publication.

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

Sincerely,

/s/

William A. Atzl, Jr.  
Director – Rate Engineering