

Orange and Rockland Utilities, Inc. 4 Irving Place New York NY 10003-0987 www.oru.com

December 15, 2016

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

Re: Annual System Benefits Charge ("SBC") Filing

Dear Secretary Burgess,

Orange and Rockland Utilities, Inc. (the "Company") herein submits for filing its Statement of System Benefits Charge, Statement No. SBC – 7 to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY. This Statement is issued December 15, 2016, to become effective with service rendered on or after January 1, 2017.

This filing is in accordance with General Information Section 26 of the Company's Schedule for Electric Service requiring an annual SBC filing in accordance with the Commission's January 21, 2016 Order in Case 14-M-0094 et al. ("January 2016 Order").

The proposed SBC rate is based on an SBC collection target of \$21,994,068 as contained in the January 2016 Order for the period January 1, 2017 through December 31, 2017¹. The determination of the proposed SBC rate also includes the reconciliation of SBC recoveries for the period March through December 2016, and the SBC collection target for the same period. The amount over-collected for the reconciliation period is \$262,009. The resulting SBC rate is 0.565 cents per kWh.

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

¹ The Company's Statement of SBC also collects the previously-authorized 2017 Renewable Portfolio Standard, Energy Efficiency Portfolio Standard, and SBC IV amounts.