

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

February 16, 2016

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

Re: Case 14-M-0094 et al., Clean Energy Framework

Dear Secretary Burgess,

Orange and Rockland Utilities, Inc. (the "Company") herein submits for 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 make changes to General Information Section 26 – System Benefits Charge ("SBC"), and delete General Information Section 27 - Renewable Portfolio Standard ("RPS") Charge and other RPS tariff references. The revised Electric Tariff Leaves, revised Statement of SBC, and revised Statement of RPS are identified in Appendix A. These changes are issued February 16, 2016, to become effective on March 1, 2016.

Reason for Filing

This filing is being made in compliance with the Commission's <u>Order Authorizing the Clean Energy Framework</u> (the "CEF Order"), issued and effective January 21, 2016 in Case Nos. 14-M-0094, 10-M-0457, 07-M-0548, 03-E-0188, and 13-M-0412. The CEF Order (p. 95) directed utilities to eliminate the separate RPS tariff provision¹ and collect all Clean Energy Fund ("CEF") funds through the SBC tariff provision, including previously authorized RPS, Energy Efficiency Portfolio Standard ("EEPS"), and Technology & Market Development program² collections as well as incremental CEF collections.

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¹ The Commission's <u>Order Extending Clean Energy Programs</u>, issued December 11, 2015, in Case 14-M-0094 temporarily extended NYSERDA's authorization to continue to implement its RPS Customer Sited Tier programs, set to expire on December 31, 2015, for an additional two months, until February 29, 2016.

² This is an SBC IV program scheduled to expire at the end of 2016.

Honorable Kathleen H. Burgess February 16, 2016 Page 2

A revised Statement of SBC is being filed to collect amounts authorized by the CEF Order. A revised Statement of RPS is being filed to cancel the RPS Statement, because the CEF Order directed elimination of the separate RPS tariff provision.

Tariff Changes

The Company is filing revisions to General Information Section 26 to reflect the new CEF Surcharge rate component of the SBC.³ The CEF Surcharge rate will collect: (1) annual authorized collections associated with NYSERDA-run clean energy activities, including the RPS, EEPS, SBC IV programs, and CEF, plus or minus any under- or over-collections for prior years; and (2) any over- or under-collections associated with Company-run EEPS programs authorized through 2015. The CEF surcharge rate will be calculated by dividing the necessary collection amount by the forecasted kWh deliveries for the period in which the Statement of SBC is to be in effect.

The Company is also filing tariff changes deleting General Information Section 27 and eliminating references in the Electric Tariff to the separate RPS, which will now be incorporated into General Information Section 26. The Company is also filing a revised Statement of RPS, Statement RPS – 6, that sets the RPS rate to zero effective March 1, 2016, and notes that the RPS statement would not be filed in the future.

The Company's Statement of SBC, Statement SBC - 6, is being filed to collect amounts required to be collected through December 2016. The CEF Surcharge component will collect the following: previously-authorized RPS, EEPS, and SBC IV amounts, including a reconciliation of projected over- or under-collections through February 2016; a reconciliation of projected over- or under-collections for Company-run EEPS programs authorized for collections through 2015; and incremental CEF amounts authorized for collections in the CEF Order.

Conclusion and Notice

Tariff amendments are being filed, to become effective on March 1, 2016, pursuant to Ordering Clause 46 and Ordering Clause 47 of the CEF Order. Statement SBC - 6 is being filed to become effective on March 1, 2016, pursuant to Ordering Clause 45 of the CEF Order. Statement RPS – 6 is being filed to become effective on March 1, 2016, pursuant to Ordering Clause 47 of the CEF Order. The Commission waived newspaper publication of the changes, pursuant to Ordering Clause 49 of the CEF Order.

Text about the RPS will be deleted on customers' electric bills, and a revised SBC description will be displayed.

³ The CEF Surcharge will be the only component of the SBC. The Company-administered energy efficiency programs not recovered in base rates will continue to be recovered separately in the EE Tracker Mechanism component of the Company's Base Energy Cost Adjustment ("ECA"), as per the Commission's Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans, issued October 16, 2015, in Case No. 14-E-0493.

Received: 02/16/2016

Honorable Kathleen H. Burgess February 16, 2016 Page 3

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

Orange and Rockland Utilities, Inc. Tariff Leaves & Statements Effective March 1, 2016

Tariff Leaves - P.S.C. No. 3 Electricity

1st	Revised Leaf No.	5
1st	Revised Leaf No.	148.1
5th	Revised Leaf No.	183
7th	Revised Leaf No.	184
3rd	Revised Leaf No.	253
1st	Revised Leaf No.	254
1st	Revised Leaf No.	265
3rd	Revised Leaf No.	271
4th	Revised Leaf No.	277
6th	Revised Leaf No.	285
6th	Revised Leaf No.	290
7th	Revised Leaf No.	295
6th	Revised Leaf No.	309
6th	Revised Leaf No.	333
1st	Revised Leaf No.	342
3rd	Revised Leaf No.	346
3rd	Revised Leaf No.	351
3rd	Revised Leaf No.	357
1st	Revised Leaf No.	376

Statements

Statement of System Benefits Charge - SBC 6 Statement of Charge for Renewable Portfolio Standard - RPS 6