



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

October 29, 2015

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

RE: Case No. 14-E-0493, Proceeding on Motion of the
Commission as to the Rates, Charges, Rules and
Regulations of Orange and Rockland Utilities, Inc. for
Electric Service

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") hereby submits for filing certain tariff leaves and Statement TACS-7 reflecting revisions to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY ("Electric 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 October 16, 2015, in Case No. 14-E-0493 ("Rate Order").¹ In the Rate Order, the Commission established an electric rate plan governing the Company's electric service for the two-year period commencing November 1, 2015.²

The tariff leaves, set forth in Appendix A to this letter, and statement TACS-7 are issued October 29, 2015, to become effective on November 1, 2015.

Summary of Tariff Modifications

The enclosed tariff leaves reflect the following modifications to Electric Tariff in accordance with the Rate Order.

1. The Table of Contents section of the Electric Tariff has been modified to: 1) add General Information Section No. 7.18, AMI and AMR Meter Opt-Out Fees; and 2) eliminate Rider G – NYPA – EDP Delivery Service and Rider J – NYPA Power for Jobs ("PFJ").

¹ The Rate Order adopted terms of a Joint Proposal dated June 5, 2015, and submitted by the Company, Staff of the New York State Department of Public Service, the Utility Intervention Unit of the Department of State, the Sabin Center for Climate Change at Columbia Law School, the Pace Energy and Climate Center, the Retail Energy Supply Association, and the Department of Defense and all other Federal Executive Agencies ("Joint Proposal").

² Rate Year ("RY") 1 is the period November 1, 2015 through October 31, 2016, and RY2 is the period November 1, 2016 through October 31, 2017.

Honorable Kathleen H. Burgess

October 29, 2015

Page 2 of 5

2. General Information Section No. 1, Territory to Which Schedule Applies, has been modified to add the community of South Blooming Grove.
3. General Information Section No. 6, Wiring, Apparatus, and Inspection, has been modified to reflect the increase in the re-inspection fee from \$51.00 to \$80.00 effective November 1, 2015.
4. General Information Section No. 7, Metering and Billing, has been modified as follows:
 - a. Subsection 7.5(B)(2), Utility Single Billing Service, has been revised to reflect an updated Purchase of Receivable ("POR") Discount Percentage based on a revised POR credit and collections component and a revised Uncollectibles Percentage as described in Appendix 18 to the Joint Proposal. Also, the annual reset date of the Credit and Collections Component of the POR Discount Percentage was changed from July 1 to November 1 to align with the commencement of the new rate year, effective November 1, 2015.
 - b. Subsection 7.15, Low Income Program, has been revised to reflect increases in the monthly low income bill credit. Effective November 1, 2015, the credit for electric space heating customers will increase from \$17.40 to \$27.00, and the credit for non-space heating customers will increase from \$9.00 to \$18.00
 - c. Subsection 7.18, has been added to establish AMI and AMR Meter Opt Out Fees. A dual service (electric and gas) customer opting out of AMI or AMR will pay a monthly manual meter reading fee of \$15, and an electric single service customer will pay a monthly meter reading fee of \$10. A dual service customer opting out of AMR will pay a one-time meter change fee of \$90, and a single electric only service customer opting out of AMR will pay a one-time meter change fee \$45.
5. General Information Section No. 11.14(D), Restoration of Service, has been modified to align the time period to which the Company will waive the reconnection charge for customers enrolled in the Company's low income program with the commencement of the new rate year, effective November 1, 2015.
6. General Information Section No. 13, Service Classification Riders, has been modified as follows:
 - a. Rider C – Excelsior Jobs Program has been revised to clarify that this Rider is applicable only to demand-billed customers. Also, separate discounts have been defined for Rider C customers who commenced service prior to November 1, 2015 and Rider C Customers who commenced service on or after November 1, 2015.
 - b. Riders G and J, along with all references to those sections contained in the Company's Electric Tariff, have also been eliminated.
 - c. Rider H – Economic Development Rider, has been revised to reflect the following changes for customers with a letter of intent dated on or after November 1, 2015: 1) customers will be required to maintain a metered demand of 65 kW or more in six

Honorable Kathleen H. Burgess

October 29, 2015

Page 3 of 5

months of any 12-month period to remain on Rider H; 2) customers can only commence service once their metered demand is 65 kW or more for two consecutive months; 3) customers who purchase, lease, or expand an existing building will be required to submit an energy audit/survey; and 4) Rider H, which currently expires on December 31, 2016, will be extended for an additional five-year term through December 31, 2020.

7. General Information Section No. 15 – Market Supply Charge ("MSC"), has been modified in Subsection No. 15.3(A) Applicability to reflect a single set of qualifications for which a customer is subject to Mandatory Day-Ahead Hourly Pricing ("MDAHP").
8. General Information Section No. 25 - Energy Cost Adjustment ("ECA"), has been modified as follows:
 - a. An Energy Efficiency Tracking Mechanism ("EE Tracker") has been added to the Company's Base ECA Charge to recover the costs of any Company-run energy efficiency programs that are approved through the Energy Efficiency Transition Implementation Plan ("ETIP").
 - b. A Reforming the Energy Vision ("REV") Surcharge, designed to recover the incremental revenue requirement associated with the Company's REV-related programs, was added to the ECA.
 - c. The provisions related to the Temporary Surcharge have been removed.
9. General Information Section No. 26, System Benefits Charge ("SBC"), has been revised to reflect the changes to SBC collections resulting from the new EE Tracker. Starting January 1, 2016, the SBC will only collect amounts authorized by the Commission for the NYSERDA-administered programs.
10. General Information Section No. 28, Merchant Function Charge ("MFC"), has been modified to update the MFC fixed components in accordance with Appendix 18 to the Joint Proposal.
11. General Information Section No. 29, Transition Adjustment for Competitive Services ("TACS"), has been modified to reflect updated revenue targets used in the determination of MFC Fixed Component Lost Revenue, and Credit and Collections Lost Revenue Associated with Retail Access in accordance with Appendix 18 to the Joint Proposal. The TACS annual periods were revised to align with the new Rate Year, effective November 1, 2015. In addition language was added concerning the reconciliation of the TACS for the period July 1, 2015 to October 31, 2015.
12. General Information Section No. 30, Revenue Decoupling Mechanism ("RDM"), has been modified as follows:
 - a. The RDM annual periods were revised to end October 31 of each year. The date the Company must file its Statement of RDM Adjustments during the month following the end of each RDM period has been changed to no less than ten calendar days before December 1 of each year.

Honorable Kathleen H. Burgess

October 29, 2015

Page 4 of 5

- b. RDM delivery revenue targets have been revised based on Appendix 18, Schedule 5 of the Joint Proposal. If the Company does not file for new base delivery rates to be effective after the end of RY2, the RDM will be implemented in accordance with the methodology set forth in the Joint Proposal.

13. Changes in Service Classification ("SC") Nos. 1, 2, 3, 4, 5, 6, 9, 15, 16, 19, 20, 21, 22 and 25 have been made to reflect delivery charges, customer charges, and metering charges in accordance with Appendix 18 of the Joint Proposal.

The following rate structure changes were made in a revenue neutral manner before applying the non-competitive delivery revenue change excluding customer charges within each of the affected SCs:

- a. The optional electric space and water heating discounts in SC No. 1 were reduced by one-third in RY1, and will be reduced by an additional one-third in RY2.
- b. For SC No. 2 Secondary Demand Metered service, in RY1, five percent of the first block usage revenues were reallocated to demand rates. For RY2, ten percent of the first block usage revenues were reallocated to the demand rates. For each Rate Year, SC No. 2 Primary service summer and winter usage revenues were reduced by 20 percent and the resulting seasonal changes in revenue were reallocated to demand revenue by increasing the demand charges on an equal percentage basis.
- c. For each Rate Year, SC Nos. 3, 9, and 22 usage revenues were reduced by 20 percent and the resulting change in revenue was reallocated to demand revenue by increasing the demand charges on an equal percentage basis.

For SC No. 2 Secondary Demand Metered service, SC No. 2 Primary service, SC No. 3, SC No. 9, and SC No. 22, the class specific non-competitive delivery revenue increase excluding customer charges was divided by the total of demand charge revenues at the previous Rate Year's rate levels, including the revenue neutral changes described above, to establish average class-specific percentages by which demand rates were increased. For all other service classes, each class-specific non-competitive delivery revenue increase, excluding customer charges, was divided by the total of the usage charge, and where applicable, demand charge revenues, at the previous Rate Year's rate levels, to establish average class specific percentages by which non-competitive delivery rates were increased.

14. SC No. 4, Special Provision A has been modified to reflect the following changes:

- a. For the period November 1, 2015 to October 1, 2017, the Company will continue to replace up to 2% of its street lights on a system-wide basis ("2% System Threshold") in each Rate Year. Municipalities wishing to participate must provide the Company with required notice in accordance with the requirements and conditions set forth in the Joint Proposal.
- b. The Company will allocate a portion of the 2% System Threshold to each municipality that requests replacement based on the quantity of existing street lights in each participating municipality. The Company will not be required to honor any additional requests for installations at no direct charge within the 2% System

Honorable Kathleen H. Burgess
October 29, 2015
Page 5 of 5

Threshold during the remainder of both the 12-month period commencing November 1, 2015, and the 12-month period commencing November 1, 2016.

15. SC No. 25, Standby Service, has been modified to eliminate the provisions related to the phase-in of Standby Service since the phase-in period concluded February 2011.
16. Statement TACS-7 is submitted to reconcile the period July 1, 2015, through October 31, 2015, as per Appendix 18 of the Joint Proposal. The rates contained in TACS-7 will be in effect for the 12-month period ending October 31, 2016.

Conclusion and Notice

The Company will publish notice of this filing in accordance with Ordering Clause 5 of the Rate Order. 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

c: Active Parties, Case No. 14-E-0493 (via email)

Orange and Rockland Utilities, Inc.
Electric Rate Case
Proposed Tariff Leaves effective November 1, 2015

P.S.C. No. 3 Electricity

3rd	Revised Leaf No.	3	5th	Revised Leaf No.	274
5th	Revised Leaf No.	4	5th	Revised Leaf No.	276
2nd	Revised Leaf No.	9	3rd	Revised Leaf No.	277
2nd	Revised Leaf No.	68	5th	Revised Leaf No.	278
8th	Revised Leaf No.	89	5th	Revised Leaf No.	283
3rd	Revised Leaf No.	106	5th	Revised Leaf No.	284
1st	Revised Leaf No.	108.2	5th	Revised Leaf No.	285
3rd	Revised Leaf No.	139	3rd	Revised Leaf No.	286
3rd	Revised Leaf No.	147	5th	Revised Leaf No.	290
3rd	Revised Leaf No.	151	6th	Revised Leaf No.	295
4th	Revised Leaf No.	155	5th	Revised Leaf No.	309
2nd	Revised Leaf No.	158	5th	Revised Leaf No.	310
2nd	Revised Leaf No.	159	5th	Revised Leaf No.	312
2nd	Revised Leaf No.	160	5th	Revised Leaf No.	321
2nd	Revised Leaf No.	161	5th	Revised Leaf No.	322
2nd	Revised Leaf No.	162	5th	Revised Leaf No.	331
3rd	Revised Leaf No.	164	5th	Revised Leaf No.	332
2nd	Revised Leaf No.	166	5th	Revised Leaf No.	333
2nd	Revised Leaf No.	167	5th	Revised Leaf No.	335
2nd	Revised Leaf No.	168	5th	Revised Leaf No.	336
2nd	Revised Leaf No.	169	5th	Revised Leaf No.	341
2nd	Revised Leaf No.	173	5th	Revised Leaf No.	345
2nd	Revised Leaf No.	210	2nd	Revised Leaf No.	346
3rd	Revised Leaf No.	214	5th	Revised Leaf No.	347
3rd	Revised Leaf No.	218	3rd	Revised Leaf No.	348
3rd	Revised Leaf No.	250	5th	Revised Leaf No.	350
3rd	Revised Leaf No.	251	2nd	Revised Leaf No.	351
3rd	Revised Leaf No.	252	5th	Revised Leaf No.	352
2nd	Revised Leaf No.	253	5th	Revised Leaf No.	356
3rd	Revised Leaf No.	255	2nd	Revised Leaf No.	357
3rd	Revised Leaf No.	257	5th	Revised Leaf No.	358
2nd	Revised Leaf No.	258	5th	Revised Leaf No.	359
4th	Revised Leaf No.	259	5th	Revised Leaf No.	372
5th	Revised Leaf No.	260	5th	Revised Leaf No.	373

**Orange and Rockland Utilities, Inc.
Electric Rate Case
Proposed Tariff Leaves effective November 1, 2015**

P.S.C. No. 3 Electricity

3rd	Revised Leaf No.	261	5th	Revised Leaf No.	374
3rd	Revised Leaf No.	262	5th	Revised Leaf No.	375
5th	Revised Leaf No.	264	2nd	Revised Leaf No.	388
5th	Revised Leaf No.	267	3rd	Revised Leaf No.	389
5th	Revised Leaf No.	268	2nd	Revised Leaf No.	390
5th	Revised Leaf No.	269	2nd	Revised Leaf No.	391
5th	Revised Leaf No.	270	2nd	Revised Leaf No.	392
2nd	Revised Leaf No.	271			
5th	Revised Leaf No.	272			