



Orange and Rockland Utilities, Inc.
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June 30, 2015

Kathleen H. Burgess
Secretary
New York State Department of Public Service
3 Empire State Plaza, 19th Floor
Albany, New York 12223

RE: Cases 14-E-0423 and 15-E-0191, Order Adopting Dynamic Load Management Filings with Modifications

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. (the "Company") hereby submits for electronic filing with the Public Service Commission (the "Commission") revisions to its Schedule for Electric Service, P.S.C. No. 3 – Electricity (the "Tariff"). The tariff leaves implementing the Company's proposals for three distribution-level demand response programs are set forth in Appendix A. These leaves are issued June 30, 2015, with an effective date of July 1, 2015.

Reason for Filing

The Commission's Order Instituting Proceeding Regarding Dynamic Load Management and Directing Tariff Filings (the "December Order"), issued and effective December 15, 2014, in Case No. 14-E-0423, directed electric distribution utilities to develop dynamic load management programs, including distribution-level demand response programs. All electric distribution utilities not having distribution-level demand response programs were ordered to file tariffs to implement such programs within 90 days of the date of the December Order. The December Order also noted that implementation of the distribution-level demand response programs should commence by Summer 2015.

To comply with the December Order, on March 23, 2015, the Company submitted draft tariff leaves that proposed three new distribution-level demand response programs: the Direct Load Control Program ("DLCP"), the Commercial System Relief Program ("CSRP"), and the Distribution Load Relief Program ("DLRP"). The programs were proposed to be added as Riders D, E and F, respectively, to the Company's Tariff.

In the Commission's Order Adopting Dynamic Load Management Filings with Modifications (the "June Order"), issued and effective June 18, 2015, in Case Nos. 14-E-0423 and 15-E-0191, the Commission directed electric distribution utilities to file the leaves originally submitted in draft form to the Commission on March 23, 2015, with certain modifications.

To comply with the June Order, the Company hereby files the three new distribution-level demand response programs: the Direct Load Control Program ("DLCP"), the Commercial System Relief Program ("CSRP"), and the Distribution Load Relief Program ("DLRP") that were previously submitted in draft format. The programs have been added as Riders D, E and F, respectively, to the Company's Tariff.

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Tariff Changes

- The DLCP has been added as Rider D to the Company's Tariff. The DLCP is applicable to customers served under Service Classification ("SC") Nos. 1, 2, 3, 9, 19, 20, 21, 22, or eligible customers taking service under SC No. 25 that meet the requirements of the Rider. This program will only be offered to customers within specified geographic locations of the Company's service territory. A demand response event may be called at those times from May 1 to September 30 when the New York Independent System Operator ("NYISO") activates its Special Case Resources program in response to a forecast peak operating reserve shortfall, in response to a major state of emergency, or at the Company's discretion to relieve system or area emergencies. Customers may participate in the Direct Install ("DI") option or the Bring Your Own Thermostat ("BYOT") option. The DI option is available to customers who agree to have a control device provided and installed free of charge by the Company on their load controllable equipment. The control device allows the Company to remotely control the equipment in order to provide load relief during a demand response event. The BYOT option is available to customers who purchase, install, and connect their own control device through a Company approved service provider. The Company will provide customers who utilize the BYOT option a payment of \$85.00 for the first year. Starting the second year, the Company will provide an annual performance payment of \$25.00 to BYOT customers that allow the Company to control the control device for at least 80 percent of all demand response event hours declared by the Company during the summer period. During a demand response event, the customer may manually override the control device to regain control of their equipment.
- The CSRP has been added as Rider E to the Company's Tariff. The CSRP is applicable to customers served under SC Nos. 1, 2, 3, 9, 15, 19, 20, 21, 22, or eligible customers taking service under SC No. 25; and to any Aggregators that meet the requirements of the Rider. A demand response event may be declared from May 1 to September 30 when the Company's forecasted load level is at least 94% of the forecasted summer system-wide peak. Customers will be given at least 21 hours advance notice for Planned Events and less than 21 hours advance notice for Unplanned Events. Direct Participants must contract to provide at least 50 kW of Load Relief and Aggregators must contract to provide at least 100 kW of Load Relief. Direct Participants or Aggregators may participate in the Reservation Payment Option or the Voluntary Participation Option. Customers in the Reservation Payment Option will receive \$4.00 per kW per month in months with less than five events or \$5.00 per kW per month in months with five or more events. Customers in Company targeted areas will receive an enhanced Reservation Payment of \$5.00 per kW per month in months with less than five events or \$6.00 per kW per month in months with five or more events. All Reservation Payment Option customers will receive \$0.50 for each kWh that is reduced during a Planned Event or \$1.00 for each kWh that is reduced during an Unplanned Event. Customers that do not provide their committed Load Relief for events will incur a penalty. Customers in the Voluntary Participation Option will receive \$1.00 for each kWh reduced during a Planned Event and \$1.50 for each kWh reduced during an Unplanned Event.
- The DLRP has been added as Rider F to the Company's Tariff. The DLRP is applicable to customers served under SC Nos. 1, 2, 3, 9, 15, 19, 20, 21, 22, or eligible customers taking service under SC No. 25; and to any Aggregators that meet the requirements of

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the Rider. An event may be declared from May 1 to September 30 when the Company's distribution control center declares an emergency or a voltage reduction of 5 percent or greater has been ordered. Customers will be given at least 2 hours advance notice for Contingency Events and less than 2 hours advance notice for Immediate Events. Direct Participants must contract to provide at least 50 kW of Load Relief and Aggregators must contract to provide at least 100 kW of Load Relief. Direct Participants or Aggregators may participate in the Reservation Payment Option or the Voluntary Participation Option. Customers in the Reservation Payment Option will receive \$3.00 per kW per month and \$0.50 for each kWh that is reduced during an event. A bonus payment of \$1.00 for each kWh will be paid to customers starting in the 5th hour of consecutive load relief during an Immediate Event. Customers in the Voluntary Participation Option will receive \$1.00 for each kWh reduced during all events.

- For the Summer of 2015 only, customers looking to sign up for the CSRP or DLRP have the option to do so by the first of July for a start date of August 1, but if the customer already has installed interval metering and associated communications, meets all other eligibility requirements under respective Rider, and submits a completed application by June 24, the customer can commence service under their respective Rider by July 1. Otherwise, the Company will accept applications for either program by April 1 for a May 1 commencement date, and by May 1 for a June 1 commencement date. However, if the application is received by April 1, and the Company does not bill the participant monthly using interval metering at the time of application, participation in either program may commence on July 1.
- Text was added to General Information Section No. 25, Energy Cost Adjustment, to allow the Company to recover all costs relating to the distribution-level demand response programs through its Energy Cost Adjustment mechanism.
- The Company notes that programs proposed in this filing may be impacted by the Federal Energy Regulatory Commission's *Order on Clarification, Rehearing, and Compliance Filing*, issued March 19, 2015, in Dockets EL07-39-006, ER08-695-004 and ER10-2371-000.

Conclusion and Notice

As directed by the June Order, the Company is filing these tariff amendments no later than June 30, 2015, to become effective July 1, 2015. Pursuant to Ordering Clause 7 of the June Order, the requirement for newspaper publication is waived.

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.
Distribution Demand Response Programs
Proposed Tariff Leaves Effective July 1, 2015**

P.S.C. No. 3 Electricity

4th	Revised Leaf No.	4
	Original Leaf No.	155.1
	Original Leaf No.	155.2
1st	Revised Leaf No.	156
	Original Leaf No.	156.1
	Original Leaf No.	156.2
	Original Leaf No.	156.3
	Original Leaf No.	156.4
	Original Leaf No.	156.5
	Original Leaf No.	156.6
	Original Leaf No.	156.7
	Original Leaf No.	156.8
	Original Leaf No.	156.9
	Original Leaf No.	156.10
	Original Leaf No.	156.11
	Original Leaf No.	156.12
	Original Leaf No.	156.13
1st	Revised Leaf No.	157
	Original Leaf No.	157.1
	Original Leaf No.	157.2
	Original Leaf No.	157.3
	Original Leaf No.	157.4
	Original Leaf No.	157.5
	Original Leaf No.	157.6
	Original Leaf No.	157.7
	Original Leaf No.	157.8
	Original Leaf No.	157.9
2nd	Revised Leaf No.	251