



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

December 2, 2022

Honorable Michelle L. Phillips  
Secretary  
State of New York  
Public Service Commission  
Three Empire State Plaza  
Albany, New York 12223-1350

RE: Case No. 21-G-0073, Proceeding on Motion of the  
Commission as to the Rates, Charges, Rules and  
Regulations of Orange and Rockland Utilities, Inc. for Gas  
Service

Dear Secretary Phillips:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") hereby submits for filing certain tariff leaves and a statement reflecting revisions to its Schedule for Gas Service, P.S.C. No. 4 – GAS ("Gas Tariff").

This filing is made in compliance with the Commission's Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans, With Additional Requirements issued April 14, 2022, in Case No. 21-G-0073 ("Rate Order").<sup>1</sup> The Rate Order provides for a three-year gas rate plan in which Rate Years ("RY") 1, 2, and 3 are the twelve-month periods commencing January 1, 2022, January 1, 2023, and January 1, 2024, respectively.

The tariff leaves and statement set forth in Appendix A to this letter are issued December 2, 2022, to become effective on January 1, 2023.

The purpose of this filing is to implement the delivery rate changes for RY2.

#### Summary of Tariff Modifications

The rates shown on the enclosed tariff leaves reflect the RY2 rate design process described in Appendix 18 of the Joint Proposal.

RY2 delivery rates have been set in a manner to recover an incremental revenue requirement of \$4,421,433. The \$4,421,433 was then adjusted to remove New York State Gross Receipts Tax and Franchise Tax surcharge revenues, Municipal Tax surcharge revenues, and

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<sup>1</sup> The Rate Order adopted terms of a Joint Proposal dated October 29, 2021 ("Joint Proposal").

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Metropolitan Transportation Authority Business Tax surcharge revenues. The result is a net delivery revenue increase of \$4,347,433.

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

1. General Information Section No. 6, Metering and Billing, Subsection 6.5(2)(B), Utility Single Billing Service, has been revised to establish a Purchase of Receivables ("POR") Discount Percentage of 1.321% for RY2.<sup>2</sup>
2. Riders B and C for customers with distributed generation have been revised to reflect changes in delivery charges in accordance with Appendix 18 of the Joint Proposal.
3. SC Nos. 1, 2, and 6 have been revised to reflect changes in delivery charges in accordance with Appendix 18 of the Joint Proposal.

#### Statement of Delivery Revenue Surcharge

The Company is filing a Statement of Delivery Revenue Surcharge – SDR Statement No. 6 to the Gas Tariff. Effective January 1, 2023, the Company will cease recovery of amounts related to the collection of allowed pure base revenue charges that resulted from the extension of the suspension period in the above-referenced proceeding. Consistent with General Information Section No. 24 of the Gas Tariff, the Company will file a subsequent statement to reconcile any difference between amounts required to be collected and the actual amounts collected under the Gas Tariff. The Company will file this statement for rates effective March 1, 2023.

#### Conclusion and Notice

The Company will publish notice of this filing in accordance with Ordering Clause 18 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. 21-G-0073 (via electronic mail)

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<sup>2</sup> The change in the POR Discount Percentage is the result of: (a) an update to reflect the RY2 level of credit and collections cost; (b) revised uncollectibles percentages based on the Company's actual uncollectibles experience applicable to all gas POR-eligible customers for the twelve-month period ended September 30, 2022; (c) a reconciliation of the target level of the credit and collections costs reflected in the POR Discount Percentage with the revenues received through the credit and collections component of the POR Discount Percentage; and (d) a revised risk factor set at 20 percent of the revised uncollectible percentages.

Appendix A

ORANGE AND ROCKLAND UTILITIES, INC.

Case No. 21-G-0073

**PSC No. 4 - GAS: List of Revised Tariff Leaves and Statements Effective January 1, 2023**

| <u>Leaf No.</u> | <u>Revision No.</u> | <u>Superseding<br/>Revision No.</u> |
|-----------------|---------------------|-------------------------------------|
| 33.3            | 26                  | 25                                  |
| 94.9            | 19                  | 18                                  |
| 94.10           | 19                  | 18                                  |
| 94.16           | 22                  | 21                                  |
| 114             | 32                  | 31                                  |
| 116             | 35                  | 34                                  |
| 130             | 32                  | 31                                  |

Statement SDR-6