



Orange and Rockland Utilities, Inc.
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April 30, 2012

Honorable Jaclyn A. Brillling
Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, New York 12223

RE: Case No. 11-M-0542– In the Matter of the Commission's Implementation of
Certain Provisions of the Excelsior Jobs Program

Dear Secretary Brillling:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") hereby submits for filing the following tariff leaves reflecting revisions to its Schedule for Electric Service, P.S.C. No. 3 – Electricity ("Electric Tariff").

2nd	Revised Leaf No.	4
1st	Revised Leaf No.	151
1st	Revised Leaf No.	152
1st	Revised Leaf No.	153
1st	Revised Leaf No.	154
1st	Revised Leaf No.	155
2nd	Revised Leaf No.	180
1st	Revised Leaf No.	259
1st	Revised Leaf No.	260

These leaves are issued April 30, 2012, to become effective June 1, 2012.

Background

On February 29, 2012, the Company filed tariff changes to establish Rider C, Excelsior Jobs Program in the Electric Tariff. That filing was made pursuant to the Commission's Notice to File Proposed Tariff Provisions ("Notice"), issued December 9, 2011, in Case 11-M-0542. The Notice directed the Company to file tariff amendments to conform to the requirements established by the Excelsior Jobs Program ("EJP") Act of 2011 (L. 2011, c. 61). The EJP Act permits qualifying businesses to receive tax credits for a period of up to ten years. Customers who qualify for EJP tax credits may also receive a special utility delivery rate at the utility's

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incremental cost of providing service (PSL§66 (12-d)). As directed by the Notice, the Company filed its tariff changes to take effect on June 1, 2012.¹

Reason for Filing

The Company's February Filing proposed that, for each year up to ten years, a customer will qualify for EJP electric delivery rate reductions (currently set at 0 percent) for 12 consecutive monthly billing periods if: (a) the Customer submits to the Company, within 90 days of receipt, a copy of its Certificate of Tax Credit ("Tax Certificate") that the Empire State Development ("ESD") issues to EJP participants to claim tax credits for the taxable year certified on the Certificate of Tax Credit after ESD has verified that the participant has met all eligibility criteria for its premises, or (b) ESD certifies to the Company that it issued a Tax Certificate ("Tax Certification") for the prior tax year. Based on discussions with the Staff of the Department of Public Service, the Company has agreed to amend its February Filing to indicate that if the Company does not receive a new Tax Certificate or Tax Certification by the end of a 12-month period, the Company will continue to apply the delivery rate reductions for up to an additional three monthly billing periods ("Grace Period") to allow time for the Company to receive either a new Tax Certificate or Tax Certification.

Proposed Tariff Changes

To establish the Grace Period, the Company proposes to modify Rider C to indicate that EJP delivery rate reductions will be applied, each year, for 12 consecutive monthly billing periods starting with the first billing period having a "from" date on or after the Company's receipt of the initial Tax Certificate or Tax Certification. On the first anniversary of the commencement of delivery rate reductions, and each anniversary thereafter, delivery rate reductions will commence for another 12 monthly billing periods if the Company receives a new Tax Certificate or Tax Certification on or before the anniversary. If a new Tax Certificate or Tax Certification is not received by the anniversary and the Customer received delivery rate reductions in the billing period that ended on the anniversary, the Company will continue to apply the delivery rate reductions for up to an additional three monthly billing periods to allow time for the Company to receive either a new Tax Certificate or Tax Certification. If a new Tax Certificate or Tax Certification is received during the Grace Period, any rate reductions applied during the Grace Period will be counted toward the 12 monthly billing periods that commenced on the anniversary. If a new Tax Certificate or Tax Certification is not received by the end of the Grace Period, the rate reductions will cease at the end of the Grace Period. If a new Tax Certificate or Tax Certification is received after the end of the grace period, the rate reductions will be applied prospectively for the remaining billing periods of the 12 monthly billing periods that commenced on the anniversary.

Should there be a gap of one or more years before the Company receives a new Tax Certificate or Tax Certification, the Customer will be eligible for delivery rate reductions for: (a) the 12 monthly billing periods that commence on the current year's anniversary, if the Company receives the new Tax Certificate or Tax Certification on or before the anniversary, or (b) the

¹ The Notice directed that tariff changes be filed by February 14, 2012. That date was extended to February 29, 2012, pursuant to the Secretary's letter of February 14, 2012.

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remaining billing periods of the 12 monthly billing periods that commenced on the current year's anniversary, if the new Tax Certificate or Tax Certification is received after the anniversary.

Because the above tariff changes establish an annual anniversary for the start of the 12 monthly billing periods, the Company has eliminated the provision in Rider C as presented in the February Filing that the Tax Certificate must be submitted within 90 days of receipt.

Additional Housekeeping Changes

On December 19, 2011, the Company filed a new electric rate schedule P.S.C. No. 3 - Electricity ("P.S.C. No. 3") in compliance with the Commission's Order Establishing Rates for Electric Service, issued June 17, 2011, in Case No. 10-E-0362. P.S.C. No. 3 was filed with an effective date of April 1, 2012. On March 20, 2012, the Commission issued an order ("March 2012 Order") permitting P.S.C. No. 3 to become effective on April 1, 2012.

Since the Company's February Filing was made while P.S.C. No. 3 was pending Commission approval, it was filed under the Company's then-current Schedule for Electric Service, P.S.C. No. 2 – Electricity. Therefore, in addition to the changes described above, the instant filing contains housekeeping changes to incorporate Rider C into P.S.C. No. 3, effective June 1, 2012.

Conclusion

The Company is proposing that the above tariff changes take effect on June 1, 2012, the same date as the tariff changes proposed in the February Filing. The Company requests waiver of newspaper publication, because the Company published notice of its earlier EJP filing on March 28, and April 4, 11, and 18, 2012.

Questions regarding this filing can be directed to me at (212) 460-3308.

Very truly yours,

/s/

William A. Atzl, Jr.
Director – O&R Rates