

**P.S.C. NO. 3 ELECTRICITY****ORANGE AND ROCKLAND UTILITIES, INC.**

INITIAL EFFECTIVE DATE: November 1, 2017

SUPERSEDING REVISION: 4

LEAF: 220

REVISION: 5

Issued in compliance with Order in Cases 15-E-0751 and 15-E-0082 dated 9/14/2017.

**GENERAL INFORMATION****15. MARKET SUPPLY CHARGE ("MSC") (Continued)****15.3 MANDATORY DAY-AHEAD HOURLY PRICING ("DAHP") (Continued)****(C) Posting of Hourly Energy Charges**

The hourly energy charges for electric power supply, including the Ancillary Services/NTAC/NYISO Transmission Charges, shall be posted by the Company on an internet website. All customers subject to DAHP will be responsible for obtaining price information from this website and will be billed based upon the hourly charges posted on this website.

**15.4 CLEAN ENERGY STANDARD SUPPLY SURCHARGE ("CESS")**

The Clean Energy Standard Supply Surcharge ("CESS") is applicable to all customers who receive electric power supply from the Company. The CESS recovers costs associated with two components: (1) Renewable Energy Credits ("RECs") from qualifying renewable energy facilities and Alternative Compliance Payments ("ACPs"), and (2) Zero-Emission Credits ("ZECs") from qualifying nuclear facilities.

The CESS will collect the following: the estimated costs for each component for the 12-month period beginning April 1 and the difference, excluding uncollectible-bill expense, between the actual costs and amounts recovered for that component for prior periods. The REC component of initial CESS will also collect costs for the period January 1, 2017 through March 31, 2017.

An adjustment will be made to the total charge for each component to reflect an uncollectible-bill expense. The uncollectible-bill expense will be determined using the system Uncollectible Percentage as described in General Information Section No. 7.5(B)(2).

The unit amount to be charged for each 12-month period will be determined by dividing the amount to be collected by the forecasted kWh deliveries for the period in which CESS is in effect.

The CESS will also be used to recover the Environmental Component – Market Value credits paid to customers served under the Value Stack Tariff as described in Rider N of this Rate Schedule.

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Issued By: Timothy Cawley President, Pearl River, New York