



Orange and Rockland Utilities, Inc.
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April 21, 2017

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

RE: Case Nos. 15-E-0751 and 15-E-0082, Net
 Metering Transition – Phase One

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. (the "Company") hereby submits for filing with the Public Service Commission (the "Commission") revised tariff leaves to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY. The revised tariff leaves are issued April 21, 2017 to become effective April 27, 2017.

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|-----|-------------------|-------|------|-------------------|-------|
| 6th | Revised Leaf No. | 179 | | Original Leaf No. | 180.4 |
| 6th | Revised Leaf No. | 180 | 2nd | Revised Leaf No. | 181.5 |
| 7th | Revised Leaf No. | 180.1 | 10th | Revised Leaf No. | 184 |
| 2nd | Original Leaf No. | 180.2 | 8th | Revised Leaf No. | 185 |
| 1st | Revised Leaf No. | 180.3 | 4th | Revised Leaf No. | 189 |

Reason for Filing

The Commission's Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters, issued and effective March 9, 2017 (the "Order") in Case 15-E-0751, "In the Matter of the Value of Distributed Energy Resources," and Case 15-E-0082, "Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions For Implementing a Community Net Metering Program," directed each utility to file tariff amendments implementing the transition from net energy metering ("NEM") to Phase One Net Metering ("Phase One NEM"). Pursuant to the Order, the Company filed tariff changes on March 27, 2017, to modify Rider N – Net Metering for Customer Generators.

Following discussions with Department of Public Service Staff, the Company has made further tariff changes to Rider N as described below:

- The Applicability Section of Rider N Net Metering for Customer Generators was modified as follows:
 - To add two definitions applicable to Rider N: "Large On-Site Customer" means a customer billed under demand rates whose electric generating equipment

supplies energy to a single account behind the same meter as the generating equipment; “Mass Market Customer” means a customer billed under energy-only rates whose electric generating equipment supplies energy to a single account behind the same meter as the generating equipment;

- To clarify that net-metered customers who have electric generating equipment subject to more than one crediting methodology (e.g., solar generation, which is credited based on retail rates, and fuel cell generation, which is credited based on avoided cost rates) will not be required to separately meter the net-metered load under the Value Stack Tariff and to specify that all customers other than Mass Market Customers must take service under the Value Stack Tariff if they pair energy storage with net-metering-eligible generation equipment. It was also added that if a single project eligible for Phase One NEM causes an exceedance of the 23 MW threshold for Community Distributed Generation Host Accounts, the project will qualify for Phase One NEM; however, the MW above the 23 MW threshold will be counted as MW under the Value Stack Tariff; and
- To specify the applicability of Grandfathered Net Metering, Phase One NEM, and the Value Stack Tariff. (These terms were not defined in the Tariff language filed on March 27, 2017.) The Value Stack Tariff will be applicable to customers not eligible for Grandfathered Net Metering or Phase One NEM; provided, however, that customers served under either Grandfathered Net Metering or Phase One NEM will be provided a one-time, irrevocable opt-in to the Value Stack Tariff when it becomes available.
- The Billing Section of Rider N was modified to indicate that the annual reconciliation applies to certain types of Grandfathered Net Metering customers. (This clarifies the tariff language filed on March 27, 2017, which indicated that the Annual Reconciliation is applicable to certain types of customers whose generation is not subject to an end-date to the Rider N term of service.)
- The Metering Section of Rider N was changed to reflect the new terms, “Large On-Site Customer” and “Mass Market Customer.” Large On-Site Customers, Remote Net Metering (“RNM”) Host Accounts, and Community Distributed Generation (“CDG”) Host Accounts must have interval metering with communications service for service under Phase One NEM and the Value Stack Tariffs. Mass Market Customers must have interval metering with communications service for service under the Value Stack Tariff.
- The Term of Service Section of Rider N was modified to: (a) clarify that there is no term of service for customers with Grandfathered Net Metering (except for grandfathered RNM Customers subject to a 25-year term of service¹); (b) clarify that the term of service is 20 years from the in-service date for Phase One NEM Customers, unless a one-time irrevocable election was made to opt-in to the Value Stack Tariff; and (c) specify that projects still in operation at the end of the term of service will be billed and credited based on the tariff that is then in effect.

¹ These are RNM customers whose RNM Satellites receive monetary credits based on the Service Classification of the RNM Host Account.

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Conclusion and Notice

The tariff leaves filed on March 27, 2017, are currently postponed and have an effective date of April 27, 2017. As directed by Ordering Clause 1 of the Order, the tariff amendments being filed today are being filed on not less than five days' notice. These leaves also have an effective date of April 27, 2017, and will, therefore, immediately supersede the corresponding leaves filed on March 27, 2017. Pursuant to Ordering Clause 23 of the Order, the Commission has waived the requirement for newspaper publication.

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