



Orange and Rockland Utilities, Inc.
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September 28, 2015

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

RE: Case No. 15-E-0082 Community Distributed Generation

Dear Secretary Burgess:

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

The revised tariff leaves, which are identified below, make changes to Rider N – Net Metering for Customer Generators. The tariff leaves have an effective date of October 19, 2015.

4th	Revised Leaf No.	181	4th	Revised Leaf No.	183
	Original Leaf No.	181.1	6th	Revised Leaf No.	184
	Original Leaf No.	181.2	3rd	Revised Leaf No.	184.1
	Original Leaf No.	181.3	1st	Revised Leaf No.	184.2
	Original Leaf No.	181.4	1st	Revised Leaf No.	184.3
	Original Leaf No.	181.5	5th	Revised Leaf No.	185
2nd	Revised Leaf No.	182		Original Leaf No.	185.1

Background

The Commission's Order Establishing a Community Distributed Generation Program and Making Other Findings (the "Order"), issued and effective July 17, 2015, in Case 15-E-0082, directed all electric utilities to file tariff changes to implement community distributed generation ("CDG"). CDG is a form of net metering in which the net energy produced by a generator owned or operated by a non-residential customer ("CDG Host") may be credited to the accounts of other customers ("CDG Satellite Accounts"), provided the CDG project meets certain requirements established by the Order. For example, the CDG equipment must be eligible for net metering, and the CDG Host Account and its CDG Satellite Accounts must be located in the same NYISO zone and within the same utility's service territory. In addition, the CDG Host may designate no fewer than ten CDG Satellite Accounts, and no more than 40 percent of the CDG output may serve CDG Satellite Accounts of 25 kW or greater (each adjusted, if applicable, to account for units in multiple dwellings that are not individually metered). After each CDG Satellite Account has been credited, using the allocation percentages designated by the CDG Host, any remaining credit is to be carried forward to the succeeding billing period on each respective account. Where the CDG Host Account is billed under demand rates, the CDG

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Satellite Accounts will receive monetary credits. Where the CDG Host Account is billed under energy-only rates, the CDG Satellite Accounts will receive volumetric (i.e., kilowatt-hour (“kWh”)) credits. Any remaining kWh credits on CDG Satellite Accounts will be returned to the CDG Host Account once a year, after which time they will be redistributed as directed by the CDG Host or forfeited if instructions are not provided.

CDG will be implemented in two stages. Through April 30, 2016, CDG will be available where the CDG Host Account is located in a CDG Opportunity Zone designated in a map posted on the utility’s website or where a minimum of 20 percent of the CDG Satellite Accounts are low-income. Thereafter, CDG will be available throughout the utility’s service territory.

As required by the Order, the Company has coordinated development of this filing with the other state electric distribution companies.

Tariff Changes

The Company has modified Rider N of the Tariff as described below:

- The section entitled Remote Net Metering (“RNM”) was expanded to include CDG. The provisions related to CDG outline the two phases of CDG implementation. During Phase 1, CDG is available to CDG projects located within a CDG Opportunity Zone or where a minimum of 20 percent of the CDG Satellite Accounts are low-income. The Company has indicated that low-income participants are those enrolled in its low-income program.¹ As outlined in General Information Section No. 7.15, to qualify for O&R’s electric low-income program, a customer must receive a Home Energy Assistance Program grant.

In addition, the expanded RNM and CDG section defines “CDG Host” and specifies the requirements of CDG Hosts and their projects. These include provisions indicating that:

- (a) the CDG Host, by submitting a completed application to the Company, is certifying that its project meets the Commission’s eligibility requirements specified in the Order and as may be revised thereafter;
- (b) the CDG Host must meet all the requirements of Commission Orders issued in Cases 15-E-0082 and 15-M-0180, as they may be amended or superseded from time to time;
- (c) the CDG Host must certify in writing to the Commission, both prior to commencing net metered service under CDG and annually thereafter, that its CDG Satellite Accounts with demands of 25 kW or greater receive, in aggregate, no more than 40 percent of the generator’s output (as adjusted, if applicable, for dwelling units of CDG Satellite Accounts indirectly served in a multi-unit residential building) and that the CDG Host meets creditworthiness standards and other requirements established by the Commission;

¹ As indicated in the Company’s report regarding its electric low-income program, as filed with the Commission on August 3, 2015, in Case 11-E-0408, there were 14,624 low-income program participants as of June 30, 2015.

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- (d) the CDG Host may not participate in RNM, and CDG Satellite Accounts may not have on-site generation or participate in net metering, except as provided by the CDG Host;
- (e) the CDG Host, if it was previously net-metered on a single account or as an RNM Host, must forfeit any remaining kWh credit before becoming a CDG Host;
- (f) the CDG Host, by providing a customer's name and account number to the Company (and such other information as the Company may require if it is unable to verify the customer's account based on the information provided), as described in the Company's CDG Operating Procedure, is certifying that it has written authorization from the customer to request and receive that customer's historical usage information and, upon enrolling a CDG Satellite Account, that it has entered into a written contract with such customer; and
- (g) the CDG Host may not request termination or suspension of electric service to a CDG Satellite Account.

The expanded RNM and CDG section indicates that the Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellite, including contractual terms, pricing, dispute resolution, and contract termination.

The expanded RNM and CDG section also describes provisions related to the allocation of generators' output, including the requirements that:

- (a) the CDG Host must submit its list of CDG Satellite Accounts and percentages of net energy output to be allocated to each no less than 60 days before commencing CDG service;
 - (b) after commencing CDG service, the CDG Host may request changes to its Satellite Accounts and/or the percentage allocated to itself or one of more of its Satellite Accounts once per CDG Host billing cycle by giving notice to the Company no less than 30 days before the CDG Host's cycle billing date to which the modifications apply;
 - (c) the CDG Host's excess credits will be assumed to be zero for any monthly billing period in which there is insufficient metering data available to ascertain the credits to be applied; provided, however, that credits may be applied at a later date should actual data become available; and
 - (d) once each year, a CDG Host billed under energy-only rates must provide instructions for reallocating any kWh credits remaining on its Satellite Accounts. Instructions must be received no less than 30 days before the CDG Host's 12-month anniversary date of commencing CDG net-metered service or credits will be forfeited.
- The Billing Section of Rider N indicates how CDG credits will be applied as designated by the CDG Host. For CDG Hosts with fuel cell or farm waste electric generation, any kWh of net energy provided to the Company by the CDG Host Account will be converted to a monetary credit at the Avoided Energy Cost and applied towards the CDG Host's electric

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bill. Any remaining monetary credit will be applied towards its Satellite Accounts' electric bills based on the percentages designated by the CDG Host.

Except as specified above:

- (a) Any kWh of net energy provided to the Company by a CDG Host Account billed under demand rates will be converted to its monetary credit at the Host Account's Service Classification ("SC") Rate and applied towards the CDG Host's electric bill. Any remaining monetary credit will be applied towards its Satellite Accounts' electric bills based on the percentages designated by the CDG Host.
- (b) Any kWh of net energy provided to the Company by a CDG Host Account billed under energy-only rates will be applied to its Satellite Accounts based on the percentages designated by the CDG Host. The credit will be applied towards each CDG Satellite Account's electric bill, up to its kWh usage. Any remaining kWh will be carried forward on the respective CDG Satellite Account to the succeeding billing period. Once a year, any remaining kWh credit on the CDG Satellite Account will be returned to the CDG Host after the CDG Host's 12-month anniversary of commencing DG service and redistributed, if instructions were provided by the CDG Host, or forfeited.

After the final bill is issued on a CDG Host Account, any remaining kWh credit will not be cashed out or transferred. CDG Satellite Accounts will no longer receive credits after the final bill is issued on its account or the account of its CDG Host. If a kWh credit remains on a CDG Satellite Account after its final bill is rendered, such credit will be returned to the CDG Host Account.

Finally, Sections (D) and (E) of the Billing Section were updated to indicate that CDG Satellite Accounts are responsible for the minimum billing demand requirements of SC Nos. 2, 3 and 20, as is currently required for RNM Satellite Accounts.

CDG Operating Procedure

The Company's CDG Operating Procedure, which is separate from the Tariff, will be posted to the Company's website. The CDG Operating Procedure will provide the format and requirements for CDG Hosts' submissions, including the application for CDG service, and identify consumer protections required of CDG Hosts until such time that the PSC establishes the Uniform Business Practices for Distributed Energy Resource Providers. The Company is working with the other state electric distribution companies to coordinate these procedures.

Conclusion and Notice

Ordering Clause 2 of the Order directed utilities to file tariff changes within 60 days of the Order, to become effective on October 19, 2015. The Commission's Notice Granting in Part and Denying in Part Request for Extension of Time, issued September 9, 2015, granted the utilities an extension to file tariff changes by September 28, 2015, and directed no change in the tariff amendments' effective date. Accordingly, this filing is issued with an effective date of October 19, 2015.

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As specified in Ordering Clause 4 of the Order, the requirement for newspaper publication was 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