



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

September 30, 2016

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

RE: Case No. 14-G-0494, 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 Burgess:

Orange and Rockland Utilities, Inc. (the "Company") hereby submits for filing certain tariff leaves 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, issued October 16, 2015, in Case No. 14-G-0494 ("Rate Order").<sup>1</sup> In the Rate Order, the Commission established a gas rate plan governing the Company's gas service for the three-year period commencing November 1, 2015.

The tariff leaves, set forth in Appendix A to this letter, are issued September 30, 2016, to become effective November 1, 2016.

The purpose of this filing is to implement the delivery rate changes for Rate Year 2 ("RY2")<sup>2</sup> and other Gas Tariff changes as described in the Joint Proposal.

#### Summary of Tariff Modifications

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

1. General Information Section No. 6.5, Rendering of Bills, specifically Section No. 6.5(2)(B) relating to the rendering of bills to customers participating in the Company's

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<sup>1</sup> The Rate Order adopted terms of a Joint Proposal dated June 5, 2015, and submitted by the Company, Staff of the New York State Department of Public Service, the Utility Intervention Unit of the Department of State, the Sabin Center for Climate Change at Columbia Law School, the Pace Energy and Climate Center, the Retail Energy Supply Association, and the Department of Defense and all other Federal Executive Agencies ("Joint Proposal").

<sup>2</sup> RY2 is the period November 1, 2016 through October 31, 2017.

Honorable Kathleen H. Burgess  
September 30, 2016  
Page 2 of 2

Gas Transportation Service Program under the Utility Single Billing Service option, has been revised to establish a Purchase of Receivables ("POR") Discount Percentage of 1.669 percent for RY2.<sup>3</sup>

2. The Factor of Adjustment ("FOA"), as contained in General Information Section No. 12.1(A), has been set to 1.0141 in RY2. The FOA is based on the average of actual line losses for the five-year period ended August 31, 2016.
3. Riders B and C related to service for customers with distributed generation have been revised to reflect increased delivery charges.
4. SC Nos. 1, 2, and 6 have been revised to reflect increased delivery charges.
5. The balancing provisions in SC Nos. 8 and 13 have been modified to lower the threshold for over-deliveries and under-deliveries subject to cash outs. The first band of cash out rates for both daily over-deliveries and daily under-deliveries will now apply to volumes in excess of 5% up to and including 10%.

#### Conclusion and Notice

The Company will publish notice of this filing in accordance with Public Service Law § 66(12)(b). Please direct any questions regarding this filing to Cheryl Ruggiero at (212) 460-3189.

Very truly yours,

/s/

William A. Atzl, Jr.  
Director – Rate Engineering

c: Active Parties, Case No. 14-G-0494 (via email)

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<sup>3</sup> The change in the POR Discount Percentage is the result of: (a) an update to reflect the RY2 level of credit and collections costs; (b) a revised uncollectibles percentage based on the Company's actual uncollectibles experience applicable to all gas and electric POR-eligible customers for the twelve-month period ended June 30, 2016; and (c) a revised risk factor set at 20 percent of the revised uncollectibles percentage.

**Orange and Rockland Utilities, Inc.**  
**Gas Rate Case**  
**Proposed Tariff Leaves effective November 1, 2016**

**P.S.C. No. 4 Gas**

16th	Revised Leaf No.	33.3	27th	Revised Leaf No.	116
17th	Revised Leaf No.	72	24th	Revised Leaf No.	130
11th	Revised Leaf No.	94.9	12th	Revised Leaf No.	137.2
11th	Revised Leaf No.	94.10	18th	Revised Leaf No.	138
14th	Revised Leaf No.	94.16	11th	Revised Leaf No.	183
24th	Revised Leaf No.	114	6th	Revised Leaf No.	183.1