

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

INITIAL EFFECTIVE DATE: April 1, 2019

SUPERSEDING REVISION: 3

LEAF: 261

REVISION: 5

Issued in compliance with Order in Case 18-E-0067 dated 03/14/2019.

GENERAL INFORMATION**30. REVENUE DECOUPLING MECHANISM ("RDM") ADJUSTMENT (Continued)****(B) Determination of RDM Adjustment (Continued)**

If for any reason, a customer group included in the RDM no longer has any customers, the revenue target for that discontinued customer group, plus any RDM delivery revenue excess or shortfall, will be reallocated to other remaining customer groups to provide for equitable treatment of any revenue excess or shortfall from the discontinued customer group. In the event RDM revenue is reallocated, the Company will consult with Commission Staff regarding such reallocation.

(C) Delivery Revenue Targets (\$000s)

	<u>3 month period commencing:</u>	<u>9 month period commencing:</u>	<u>12 month periods commencing:</u>	
<u>Customer Group</u>	<u>1/1/19</u>	<u>4/1/19</u>	<u>1/1/20</u>	<u>1/1/21</u>
A	\$40,669	\$138,879	\$190,682	\$197,698
B	14,599	58,072	76,950	78,897
C	3,547	15,421	19,935	20,570
D	2,002	10,002	13,190	13,919
E	1,497	5,961	7,901	8,444
F	-	1,999	2,547	2,529
Unbilled Revenue	<u>(448)</u>	<u>1,528</u>	<u>(330)</u>	<u>(543)</u>
Total	\$61,866	\$231,862	\$310,875	\$321,514

For the period November 1, 2018 through December 31, 2018, the RDM will be implemented in accordance with the methodology set forth in Appendix 18 to the Joint Proposal adopted by the Commission in its Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans, issued October 16, 2015 in Case No. 14-E-0493.

If the Company does not file for new base delivery rates to be effective after December 31, 2021, the RDM will be implemented in accordance with the methodology set forth in Appendix 21 to the Joint Proposal adopted by the Commission in its Order Adopting Terms of a Joint Proposal and Establishing Electric and Gas Rate Plans, issued March 14, 2019 in Case No. 18-E-0067.

Issued By: Robert Sanchez, President, Pearl River, New York