

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

INITIAL EFFECTIVE DATE: November 1, 2015

SUPERSEDING REVISION:

LEAF: 253

REVISION: 2

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Issued in compliance with Order in Case 14-E-0493 dated 10/16/2015.

GENERAL INFORMATION**26. SYSTEM BENEFITS CHARGE ("SBC")**

The SBC will be applied to the kWh usage on the bills of all customers served under this Schedule, excluding kWh usage delivered under Rider B, NYPA RNY Program, up to the RNY Allocation. The SBC will be determined annually and be designed to recover the costs of programs approved for SBC funding by the Commission.

In 2015, the System Benefits Charge collected amounts directed by the Commission in its Orders issued October 24, 2011 and October 25, 2011, in Case 10-M-0457 and Case 07-M-0548, respectively, plus an amount to reconcile prior period over- or under-collections. Starting January 2016, the System Benefits Charge will collect amounts authorized by the Commission for NYSERDA-administered programs. The Company-administered energy efficiency programs that are not recovered in base rates will be recovered separately in the EE Tracker Mechanism component of the Company's Base Energy Cost Adjustment ("ECA"), as described in General Information Section No. 25.

A reconciliation of annual SBC program collection through the SBC (eleven months actual, one month forecast) will be submitted by the Company to the Commission on or before December 15 of each year.

Not less than fifteen days prior to a proposed change in the SBC, a Statement showing the SBC and the effective date will be filed with the Commission apart from this Schedule. Such Statement will be available to the public at Company offices at which applications for service may be made. The SBC will remain in effect until changed as authorized by the Commission.

The SBC will be combined with the Renewable Portfolio Standard Charge for billing purposes.

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