

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

INITIAL EFFECTIVE DATE: November 1, 2015

SUPERSEDING REVISION: 1

LEAF: 261

REVISION: 3

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

**GENERAL INFORMATION****30. REVENUE DECOUPLING MECHANISM ("RDM") ADJUSTMENT (Continued)**(C) Delivery Revenue Targets (\$000s)

12-month period commencing:

<u>Customer Group</u>	<u>11/1/15</u>	<u>11/1/16</u>
A	\$170,366	\$176,327
B	65,501	67,455
C	18,234	18,724
D	11,405	11,191
E	7,623	7,813
Unbilled Revenue	<u>(522)</u>	<u>566</u>
Total	\$272,607	\$282,076

For the period July 1, 2015 through October 31, 2015, the RDM will be implemented in accordance with the methodology set forth in Appendix E to the Joint Proposal adopted by the Commission in its Order Adopting Terms of a Joint Proposal, With Modification, and Establishing Electric Rate Plan, issued June 15, 2012 in Case No. 11-E-0408. If the Company does not file for new base delivery rates to be effective after November 1, 2017, 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.

(D) Interim RDM Adjustments

If at any time during an Annual RDM Period, the total of cumulative delivery revenue excess/shortfall for all of the Company's service classifications subject to the RDM Adjustment exceeds \$4.1 million and \$4.2 million for the annual RDM periods commencing November 1, 2015 and November 1, 2016, respectively, which are 1.5 percent of the total of the Delivery Revenue Targets for each of the Annual RDM Periods, the Company may implement interim RDM Adjustments by customer group on no less than ten days notice.

Such interim RDM Adjustments shall normally be determined by customer group by dividing the portion of the cumulative delivery revenue excess/shortfall for each customer group by the projected kWh deliveries associated with each customer group for the subsequent twelve-month period.

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