

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

INITIAL EFFECTIVE DATE: June 1, 2016

LEAF: 156.10

REVISION: 1

SUPERSEDING REVISION: 0

Issued in compliance with Order in Cases 14-E-0423 and 15-E-0191 dated 6/18/2015.

GENERAL INFORMATION**13. SERVICE CLASSIFICATION RIDERS (Continued)****RIDER E (Continued)****COMMERCIAL SYSTEM RELIEF PROGRAM****RESERVATION PAYMENT OPTION (Continued)****(E) Performance Factor (Continued)**

If, during the prior Capability Period, an Aggregator did not participate in the program or if a Direct Participant either did not participate in the program or participated in the program through an Aggregator, the Performance Factor will be set to 0.5 in the current Capability Period and will remain at that level until the first month in which a Load Relief Period or Test Event is called. The Performance Factor determined for that month will be applied retroactively, starting with the enrollment month, to true-up the Reservation Payments for the prior month(s).

An Aggregator's Performance Factor will carry forward to the start of the next Capability Period even if there is a change in the Aggregator's portfolio. For Aggregators that enrolled participants in 2015, the Aggregator's Performance Factor at the start of the 2016 Capability Period will be based on the cumulative performance and cumulative contracted Load Relief of its entire portfolio enrolled in the Reservation Payment Option during the 2015 Capability Period.

RESTRICTIONS ON PERFORMANCE PAYMENTS

Performance Payments will not be made under Rider F for customer accounts participating in this Rider during concurrent Load Relief hours. Performance Payments will not be made under this Rider if the Direct Participant or Aggregator (on behalf of its customer) receives payment for energy under Rider K or L or any other demand response program (e.g., NYISO's Day-ahead Demand Reduction Program or NYISO's Special Case Resources Program) in which the customer is enrolled through the Company during concurrent Load Relief hours. If an SC 15 customer participates in the NYISO market through the Company and receives payment for energy during concurrent Load Relief hours, Performance Payments will be made under this Rider only for Load Relief in excess of the customer's CBL, expressed in kWh.

Performance Payments will not be made under this Rider if service is taken under Rider N.

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