



Orange and Rockland Utilities, Inc.
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June 1, 2021

Honorable Michelle L. Phillips
Secretary
New York State Public Service Commission
Three Empire State Plaza, 19th Floor
Albany, New York 12223-1350

RE: Case 18-E-0130, In the Matter of Energy Storage Deployment Program.

Dear Secretary Phillips:

Orange and Rockland Utilities, Inc. (the "Company") is filing with the Public Service Commission (the "Commission") amendments to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY (the "Electric Tariff").

The revised Electric Tariff leaves, which are identified below, are filed to become effective on July 1, 2021.

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding Revision</u>
252.1	7	5
252.2	4	2

Reason for Filing

This filing is made pursuant to the Commission's *Order Directing Modifications to Energy Storage Solicitations*, in Case 18-E-0130 issued April 16, 2021 (the "Order"). The Order directed the Company to file tariff revisions necessary to effectuate cost recovery of the contract costs for the energy storage solicitation up to ten years.

Tariff Change

Pursuant to the Order, the Company modified the existing components in the Energy Cost Adjustment ("ECA") in the Electric Tariff regarding recovery of costs associated with the energy storage solicitation project. Currently, the Electric Tariff calls for the recovery of the costs of procurement of scheduling and dispatch rights of qualified energy storage systems, amortized over the life of the contract with each developer, or seven years for costs not associated with a specific developer contract. As per the Order, the maximum contract duration has been extended from seven years to ten years.

In addition, the Company clarified that the reference to the Company's Implementation Plan filed in Case 18-E-0130 is associated with the Competitive Direct Procurement of Scheduling and Dispatch Rights from Qualified Energy Storage Systems Implementation Plan filed Case 18-E-0130 (the "Implementation Plan"), to avoid confusion with other implementation

Honorable Michelle L. Phillips

June 1, 2021

Page 2 of 2

plans that may be filed in Case 18-E-0130. Furthermore, since the Company in its revised Implementation Plan filed on May 17, 2021, in Case 18-E-0130, removed the recovery section and referred to the Electric Tariff, the Company moved the language from the original Implementation Plan filed on February 11, 2019, to the ECA stating that the Net Annual Wholesale Market Revenues will be credited to customers. This is in addition to the existing tariff language stating that, to the extent that Net Annual Wholesale Market Revenues exceed the contract costs on an annual basis, the excess will be split on a 70/30 basis between Customers and shareholders. Finally, the Company added the word “respectively” to the sentence describing the split of Net Annual Wholesale Revenues that exceed contract costs to clarify that 70 percent of such amount would be applied to customers and 30 percent would be applied to shareholders.

Conclusion and Notice

Pursuant to Ordering Clause 2 of the Order, the Company is filing these changes to become effective on July 1, 2021, on not less than 30 days’ notice. Pursuant to Ordering Clause 3 of the Order, the Commission waived the requirement for newspaper publication of these changes.

Questions concerning this filing can be directed to Cheryl Ruggiero at (212) 460-3189.

Very truly yours,

/s/

William A. Atzl, Jr.
Director – Rate Engineering