



Orange and Rockland Utilities, Inc.
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VIA ELECTRONIC MAIL

December 2, 2019

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

RE: Case No. 18-E-0067, Proceeding on Motion of the
Commission as to the Rates, Charges, Rules and
Regulations of Orange and Rockland Utilities, Inc. for
Electric Service

Dear Secretary Phillips:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") hereby submits for filing certain tariff leaves and a statement reflecting revisions to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY ("Electric Tariff").

This filing is made in compliance with the Commission's Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans, issued March 14, 2019, in the above-referenced proceeding ("Rate Order").¹ The Rate Order provides for a three-year electric rate plan in which Rate Years ("RY") 1, 2, and 3 are the twelve-month periods commencing January 1, 2019, January 1, 2020, and January 1, 2021, respectively.

The tariff leaves and statement set forth in Appendix A to this letter are issued December 2, 2019, to become effective on January 1, 2020.

The purpose of this filing is to implement the delivery rate changes for RY2.

Summary of Tariff Modifications

The rates shown on the enclosed tariff leaves reflect the RY2 rate design process described in Appendix 17 of the Joint Proposal.

RY2 delivery rates have been set in a manner to recover an incremental revenue requirement of \$12,056,000. The \$12,056,000 was then adjusted to remove New York State Gross Receipts Tax and Franchise Tax surcharge revenues, Municipal Tax surcharge

¹ The Rate Order adopted terms of a Joint Proposal dated November 9, 2018 ("Joint Proposal").

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revenues, and Metropolitan Transportation Authority Business Tax surcharge revenues. The result is a net delivery revenue increase of \$11,859,000.²

The enclosed tariff leaves reflect the following modifications in accordance with the Rate Order.

1. General Information Section No. 7, Metering and Billing, Subsection 7.5(B)(2), Utility Single Billing Service, has been revised to establish a Purchase of Receivables ("POR") Discount Percentage of 1.530% for RY2.³
2. SC Nos. 1, 2, 3, 4, 5, 6, 9, 15, 16, 19, 20, 21, 22 and 25 have been revised to reflect changes in delivery charges and metering charges in accordance with Appendix 17 of the Joint Proposal.
3. For SC No. 2 Secondary Demand Metered service, five percent of the first block usage revenue was shifted to the third block. SC No. 2 Primary service summer and winter usage revenues were reduced by 20 percent and the resulting seasonal changes in revenue were reallocated to demand revenues by increasing the demand charges. SC No. 9 Primary and Substation subclasses usage revenues were reduced by 25 percent and the resulting change in revenue was reallocated to demand revenue by increasing charges on an equal percentage basis.
4. General Information Section No. 13, Rider J – Smart Home Rate, has been revised to update the demand delivery rates.

Statement of Delivery Revenue Surcharge

The Company is filing a Statement of Delivery Revenue Surcharge – SDR Statement No. 2 to the Electric Tariff. Effective January 1, 2020, the Company will cease recovery of amounts related to the collection of allowed pure base revenue shortfalls that resulted from the extension of the suspension period in the above-referenced proceeding. Consistent with General Information Section No. 33 of the Electric Tariff, the Company will file a subsequent statement to reconcile any difference between amounts required to be collected and the actual amounts collected under the Electric Tariff. The Company will file this statement for rates effective March 1, 2020.

² An additional \$177,000 in low income credits will also be collected through RY2 delivery rates.

³ The change in the POR Discount Percentages is the result of: (a) an update to reflect the RY2 level of credit and collections cost; (b) revised uncollectibles percentages based on the Company's actual uncollectibles experience applicable to all electric POR-eligible customers for the twelve-month period ended September 30, 2019; and (c) a revised risk factor set at 20 percent of the revised uncollectible percentages.

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Conclusion and Notice

The Company will publish notice of this filing in accordance with Ordering Clause 5 of the Rate Order. Please direct any questions regarding this filing to Cheryl Ruggiero at (212) 460-3189.

Very truly yours,

/s/

William A. Atzl, Jr.
Director – Rate Engineering

c: Active Parties, Case No. 18-E-0067 (via electronic mail)

Orange and Rockland Utilities, Inc.**Appendix A****Electric Rate Case No. 18-E-0067****List of Revised Tariff Leaves and Statement effective January 1, 2020****P.S.C. No. 3 - ELECTRICITY**

14th	Revised Leaf No.	89	9th	Revised Leaf No.	321
7th	Revised Leaf No.	168	9th	Revised Leaf No.	322
4th	Revised Leaf No.	169.1	9th	Revised Leaf No.	331
9th	Revised Leaf No.	264	9th	Revised Leaf No.	332
9th	Revised Leaf No.	269	12th	Revised Leaf No.	333
9th	Revised Leaf No.	270	9th	Revised Leaf No.	336
10th	Revised Leaf No.	272	10th	Revised Leaf No.	341
10th	Revised Leaf No.	274	9th	Revised Leaf No.	345
9th	Revised Leaf No.	276	10th	Revised Leaf No.	347
10th	Revised Leaf No.	278	9th	Revised Leaf No.	350
11th	Revised Leaf No.	283	10th	Revised Leaf No.	352
10th	Revised Leaf No.	284	9th	Revised Leaf No.	356
12th	Revised Leaf No.	285	10th	Revised Leaf No.	358
12th	Revised Leaf No.	290	9th	Revised Leaf No.	359
13th	Revised Leaf No.	295	10th	Revised Leaf No.	372
11th	Revised Leaf No.	309	9th	Revised Leaf No.	373
10th	Revised Leaf No.	310	9th	Revised Leaf No.	374
9th	Revised Leaf No.	312	9th	Revised Leaf No.	375

Statement of Delivery Revenue Surcharge - SDR-2