



Orange and Rockland Utilities, Inc.
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September 30, 2020

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

Re: Case 19-G-0171, Non-Pipe Solutions Tariff Modifications

Dear Secretary Phillips:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") is filing with the Public Service Commission (the "Commission") amendments to its Schedule for Gas Service, P.S.C. No. 4 – GAS (the "Tariff").

The modified Tariff leaves, which are identified below, are filed to become effective on October 1, 2020.

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
73	25	24
80.3.1	9	8

Reasons for and Summary of Proposed Tariff Modifications

On March 4, 2019, the Company made a tariff filing to provide for recovery of certain costs associated with trucked and stored compressed natural gas ("CNG") and liquified natural gas ("LNG") projects through the respective gas supply recovery mechanisms of Consolidated Edison Company of New York, Inc. ("Con Edison") and O&R (together, the "Companies"). Included for recovery through the Fixed Gas Cost component of the gas supply charge ("GSC") and the Balancing Charge component of the monthly gas adjustment ("MGA") are the development costs for CNG and LNG projects, including recovery for abandoned projects. Based upon discussions with Department of Public Service Staff, the Company filed on July 23, 2019 further changes to clarify that recovery of these development costs would be through the Fixed Gas Costs in the GSC and through the Balancing Charge component of the MGA. The Commission's order issued on August 12, 2019 (the "August 2019 Order"), in Case 19-G-0171, approved in part the proposed Tariff modifications and further directed the Company to modify its Tariff, one of which was to include language that clearly specified that only costs associated with used and useful CNG and LNG projects were eligible for recovery. Tariff modifications became effective on September 1, 2019.¹

The Companies, by joint petition filed September 11, 2019 (the "Petition") sought rehearing of the August 2019 Order denying the recovery of costs associated with abandoned projects. On June 12, 2020, the Commission addressed the Petition in its *Order Granting Rehearing and Providing Clarification* ("June 2020 Order") in the above referenced case.

To conform its tariff language with the June 2020 Order, the Company is filing tariff changes to further clarify the descriptions of the Fixed Gas Costs in the GSC and the Balancing Charge component of

¹ Con Edison made filings on the same days to their tariffs.

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the MGA to recover CNG and LNG project development costs by eliminating the phrase “used and useful (i.e., not abandoned)” from the applicable Tariff sections.²

Conclusion and Notice

Since the changes are only meant to further clarify the language in the Fixed Gas Cost and Balancing Charge sections of the Gas Tariff, and to conform the language with the June 2020 Order, the Company respectfully requests waiver from the Commission’s notice requirements with respect to the tariff changes filed today.

Any questions regarding this filing can be directed to Cheryl Ruggiero at (212) 460-3189.

Very truly yours,

/s/

William A. Atzl, Jr.
Director – Rate Engineering

² Since the Companies operate a joint gas portfolio, Con Edison is making a contemporaneous tariff filing that proposes to update its gas tariff leaves consistent with the changes proposed by O&R.