



March 27, 2017

Honorable Kathleen H. Burgess
 Secretary
 State of New York Department of Public Service
 Three Empire State Plaza
 Albany, New York 12223

RE: Case Nos. 15-E-0751 and 15-E-0082, Net
 Metering Transition – Phase One

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. (the "Company") hereby submits for filing with the Public Service Commission (the "Commission") revised tariff leaves to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY (the "Tariff"). The revised tariff leaves are issued March 27, 2017 to become effective April 1, 2017.

5th	Revised Leaf No.	179	3rd	Revised Leaf No.	182
6th	Revised Leaf No.	180.1	6th	Revised Leaf No.	183
1st	Revised Leaf No.	180.2	9th	Revised Leaf No.	184
	Original Leaf No.	180.3	7th	Revised Leaf No.	185
2nd	Revised Leaf No.	181.4	3rd	Revised Leaf No.	189
1st	Revised Leaf No.	181.5			

Reason for Filing

This filing is made pursuant to the Commission's Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters, issued and effective March 9, 2017 (the "Order") in Case No. 15-E-0751, "In the Matter of the Value of Distributed Energy Resources," and Case No. 15-E-0082, "Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions For Implementing a Community Net Metering Program." The Order (at pp 134-135) directed each utility to file tariff amendments implementing the transition from net energy metering ("NEM") to Phase One NEM.

Tariff Changes

Pursuant to the Order, the Company has modified Rider N – Net Metering for Customer Generators as described below.

Rider N Applicability

The Applicability Section of Rider N was amended to indicate that service will be provided under that Rider to customers whose NEM-eligible electric generating equipment meets the following requirements:

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1. non-wind electric generating equipment located on the premises of demand-billed customers who do not participate in Community Distributed Generation (“CDG”) or on the premises of demand-billed or energy-only Remote Net Metering (“RNM”) Host Accounts; provided that the project either is in service or completed Step 4 of the “New York State Standardized Interconnection Requirements and Application Process for New Distributed Generators 5 MW or Less Connected in Parallel with Utility Distribution Systems” (“SIR”) for generation rated 50 kW or less or Step 8 of the SIR for generation rated above 50 kW no later than July 17, 2017;

2. non-wind electric generating equipment located on the premises of CDG Host Accounts, provided that: (a) the project was either in service or completed Step 4 of the SIR for generation rated 50 kW or less or Step 8 of the SIR for generation rated above 50 kW no later than July 17, 2017, and (b) the total rated capacity of CDG customers served under Rider N does not exceed 23 MW;

3. non-wind electric generating equipment located on the premises of customers billed under energy-only rates, provided that: (a) the generating equipment supplies energy to a single account behind the same meter as the generating equipment; and (b) the project is in service no later than January 1, 2020 (unless the Commission issues an Order directing an earlier end-date); and

4. wind electric generating equipment, provided that the total rated generating capacity of wind electric generating equipment served under Rider N does not exceed 3.1 MW (i.e., 0.3 percent of the combined full-service and retail access 2005 kW peak electric demand).

If there is a change in account name for the premises on which the generator is located (i.e., an RNM Host Account, a CDG Host Account, or the account of a customer with on-site generation that does not participate in RNM or CDG), the successor customer will be eligible for service under Rider N, subject to the Rider N Billing Section provisions for charges and credits applicable to its predecessor, for the remaining term of service. If there is a customer-initiated change in the generating equipment that requires a new standardized interconnection request to be filed with the Company (e.g., due to an increase in the nameplate rating or replacement of the generating facility) or a change in the type of net metering (e.g., from CDG to RNM or from RNM to a single net-metered account), the account will be subject to the applicable terms and conditions of service in effect at the time of such change.

Energy Storage

The Applicability section of Rider N was also amended to indicate that only customers billed under energy-only rates may qualify for service under Rider N if there is energy storage on the premises in addition to the electric generating equipment eligible for net metering, provided the energy storage supplies energy to a single account behind the same meter as the generating equipment.

Term of Service

A “Term of Service” section was added to Rider N. Unless otherwise directed by the Commission, there is no end-date to the term of service under Rider N for:

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1. Customers with non-wind electric generating equipment that was in-service as of March 9, 2017;
2. Customers with non-wind electric generating equipment that was not-in service as of March 9, 2017, provided that both (i) Step 4 of the SIR was completed for generation rated 50 kW or less or Step 8 of the SIR was completed for generation rated above 50 kW as of March 9, 2017, and (ii) the Company received written notification of complete installation by March 17, 2017; and
3. Customers with wind electric generating equipment, up to an aggregate of 3.1 MW of wind generating equipment served under Rider N.

The Rider N term of service is 20 years from the in-service date for all other customers, except for RNM customers receiving monetary crediting under Section (C)(7) of Rider N.¹ The term of service for those customers is 25 years from the later of April 17, 2015, or the project in-service date.²

At the end of the term of service, customers with on-site generation, RNM Host Accounts, CDG Host Accounts, RNM Satellite Accounts, and CDG Satellite Accounts will forfeit any net-metering credit that remains.

Metering

The Metering section of Rider N was amended to require interval metering with telecommunications capability for all electric generating equipment placed in service after March 9, 2017, for demand-billed accounts with on-site generation and demand-billed and energy-only RNM Host Accounts and demand-billed and energy-only CDG Host Accounts. If interval metering is not required for billing under the customer's Service Classification, the cost to upgrade to an interval meter with telecommunications capability will be at the expense of the customer.

Carryover of Credits by CDG Hosts

The Remote Net Metering and Community Distributed Generation Section of Rider N was revised to state that a CDG Host Account may retain, for up to two years, any undistributed credit that remains after the Annual CDG Credit is distributed to the CDG Satellite Accounts, provided that the CDG Host, in its instructions for allocating the Annual CDG Credit, allocated credits to each CDG Satellite Account equal to no less than the CDG Satellite Account's total kilowatthour usage in the final month of the annual period, if the CDG Host Account is billed for energy-only, or no less than the CDG Satellite Account's monthly electric charges in the final month of the annual period, if the CDG Host Account is demand-billed. At the end of the two-year period, the CDG Host Account will forfeit credits (*i.e.*, kilowatthour credits if the CDG Host Account is billed for energy-only or monetary credits if the CDG Host Account is demand-billed) equal to the smallest number of credits in its account at any point during the two-year period.

The Billing Section of Rider N was also amended to indicate that any undistributed portion of the Annual CDG Credit for farm waste or farm wind generating equipment will be

¹ These are grandfathered RNM customers whose RNM Satellites receive monetary credits based on the Service Classification of the RNM Host Account.

² This was established by the Commission's Order Granting Rehearing in Part, Establishing Transition Plan, and Making Other Findings, issued and effective April 17, 2015, in Cases 14-E-0151 and 14-E-0422.

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subject to the rules contained in the Remote Net Metering and Community Distributed Generation Section of Rider N.

Elimination of Annual Reconciliation for Customers Subject to Phase One NEM

Currently, the Billing Section of Rider N indicates that, except as specified for CDG in the Remote Net Metering and Community Distributed Generation Section of Rider N, an annual reconciliation will be performed for the following: residential customers that have solar or wind electric generating equipment at their residence, which may also be the location of the customer's Farm Operation; customers that have farm wind or farm waste electric generating equipment at their Farm Operation; and non-residential customers that have farm waste electric generating equipment at their non-farm Location. The Billing Section of Rider N was amended to specify that the annual reconciliation will be performed if the generation is not subject to an end-date to the term of service (i.e., if the generation is subject to pre-Phase One NEM rules). Phase One NEM customers will be able to carry over credits to subsequent billing and annual periods, except as described above for CDG Hosts.

Conclusion and Notice

As directed by Ordering Clause 1 of the Order, the tariff amendments are filed, on not less than five days' notice, to become effective on April 1, 2017. As specified in Ordering Clause 23 of the Order, the Commission has waived the requirements for newspaper publication.

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