



Orange and Rockland Utilities, Inc.  
4 Irving Place  
New York NY 10003-0987  
www.oru.com

February 24, 2017

Kathleen H. Burgess  
Secretary  
State of New York  
Public Service Commission  
3 Empire State Plaza, 19<sup>th</sup> Floor  
Albany, New York 12223

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. ("the Company") herein submits for electronic filing its Statement of Energy Cost Adjustment, Statement No. ECA-60, to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY. This statement is issued February 24, 2017 to become effective March 1, 2017.

The Energy Cost Adjustment ("ECA") rates for March 2017 consist of a Base ECA, a Variable ECA component and a Demonstration Project Cost Recovery component. The Variable ECA: (a) recovers the charges/credits relating to Transmission Congestion Contracts on a monthly basis, pursuant to the Commission's Order issued January 27, 2006, in Case No. 05-E-1090, and (b) recovers program costs on an as-incurred basis for Riders D, E, and F pursuant to the Commission's Order issued June 18, 2015 in Case Nos. 14-E-0423 and 15-E-0191. The Demonstration Project Cost Recovery component recovers the incremental revenue requirement associated with Demonstration Projects undertaken by the Company pursuant to the Commission's REV Track I Order issued on February 26, 2015 in Case No. 14-M-0101.

The March 2017 ECA statement also reflects changes to the Base ECA for rates effective on and after March 1, 2017.<sup>1</sup> The Base ECA is comprised of costs for lost revenues associated with negotiated contracts under Service Classification No. 23, implementation costs associated with Rider M and Mandatory Day Ahead Hourly Pricing, the costs of any Company-run energy efficiency programs ("EE Tracker Mechanism"), and a reconciliation of Base and Variable ECA costs and recoveries from the previous calendar year.

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

Sincerely,

/s/  
William A. Atzl, Jr.  
Director – Rate Engineering

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<sup>1</sup> By letter dated January 30, 2017, the Company filed its annual ECA filing to reconcile the differences between Base ECA costs and recoveries.