

Orange and Rockland Utilities, Inc. 4 Irving Place
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November 20, 2015

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

RE: Case No. 15-E-0267, Net Metering

Dear Secretary Burgess:

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

The revised tariff leaves, which are identified below, make changes to Rider N – Net Metering for Customer Generators. The tariff leaves have an effective date of November 27, 2015.

Original Leaf No. 180.2

5th Revised Leaf No. 181

5th Revised Leaf No. 184.1

Original Leaf No. 184.1.1

2nd Revised Leaf No. 185.1

Original Leaf No. 185.2

Reason for Filing

The Commission's Order Directing Modifications to Remote Net Metering Tariffs and Making Other Findings (the "Order"), issued and effective October 16, 2015, in Case 15-E-0267, directed tariff changes regarding remote net-metered ("RNM") Satellite Accounts¹. The Order directed the utilities to: (a) eliminate the "One Host Limitation, which prohibits more than one RNM Host from serving an RNM Satellite Account; and (b) eliminate the "Net Metered Limit," which prohibits the interconnection of net-metered generation at sites designated as RNM Satellite Accounts. The Order indicates that that the total capacity of net-metered generation serving an RNM Satellite Account shall not exceed 2 MW.

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¹ Under remote net metering, the account where the generating facility is located (<u>i.e.</u>, the Host Account) can apply net energy to one or more accounts in the same NYISO zone as the Host Account (<u>i.e.</u>, Satellite Accounts), provided all the accounts are established in the same customer name and located on property owned or leased by the customer.

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Proposed Tariff Changes

The following changes have been made to Rider N:

- The Company has removed the requirements that an RNM Satellite cannot have more than one RNM Host and an RNM Satellite Account cannot be a net-metered customer-generator.
- An RNM Satellite Account must be metered or take service under SC No. 4. It may have more than one RNM Host and may also be a net-metered customer-generator; provided, however, that the RNM Satellite cannot also be an RNM Host. The aggregate rated capacity of generating equipment of the RNM Host Account(s) designated to serve an RNM Satellite plus the rated capacity of net-metered generating equipment on the RNM Satellite Account, if any, cannot exceed 2 MW, of which no more than 1 MW can be from farm waste².
- If an RNM Satellite Account is also a net-metered customer-generator, the customer will first receive credits for its on-site net-metered generation. Credits will then be applied from its RNM Host(s).
- The Company will continue to allow RNM Hosts to allocate a percentage of the excess credit
 to be retained on their account, with the balance credited to their RNM Satellites. Any
 credits remaining after all RNM Satellites have been credited will be carried forward to the
 succeeding billing period on the RNM Host's Account, as is currently tariffed³.
- If an RNM Satellite Account has more than one RNM Host, the RNM Satellite Account will
 receive credits from the RNM Host Accounts in the order in which the Host Accounts are
 billed. If more than one RNM Host Account bills on the same day, credits will be applied
 from the RNM Hosts to their RNM Satellite Accounts, in the following priority order, with the
 highest priority listed first and lowest priority listed last:
 - (1) Energy-only RNM Host Accounts whose RNM Satellite Accounts receive monetary credits up to each Satellite Account's kWh usage (i.e., RNM Hosts that receive "volumetric crediting");
 - (2) Other energy-only RNM Host Accounts (i.e., grandfathered RNM Hosts that receive monetary crediting up to each Satellite Account's outstanding electric bill); and
 - (3) Demand-billed RNM Host Accounts, whose RNM Satellite Accounts receive monetary credits up to the outstanding electric bill.

Notwithstanding the above, RNM Hosts whose Satellite Accounts receive credits at the Company's Avoided Energy Cost (i.e., those with fuel cells and those with farm waste

² Although the Order refers only to a 2 MW limit, Public Service Law §66-j imposes a 1 MW limit on net metering of farm waste electric generating equipment.

³ This complies with the Public Service Law §66-j requirement that a remote net-metered customer be allowed to "designate all or a portion of the net metering credits generated by such equipment to meters at any property owned or leased by such customer-generator...."

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generation at a Non-farm Location) will be applied last, because they have the lowest monetary value. Within each of the above priorities, credits from RNM Hosts with farm waste or farm wind electric generating equipment will be applied first, because they are subject to annual cash-outs.

Conclusion and Notice

Ordering Clause 1 of the Order directed utilities to file tariff changes by October 30, 2015, to become effective on November 6, 2015. Your letter of October 29, 2015, granted an extension to November 20, 2015, to file changes. As directed by your letter of November 12, 2015, the leaves are issued with an effective date of November 27, 2015.

Pursuant to Ordering Clause 2 of the Order, the requirement for newspaper publication was waived.

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