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

August 29, 2016

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-54, to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY. This statement is issued August 29, 2016 to become effective September 1, 2016.

The Energy Cost Adjustment ("ECA") rates for September 2016 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.

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

Sincerely,

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