



Orange and Rockland Utilities, Inc.
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March 28, 2018

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

RE: Clean Energy Standard Supply Surcharge Reconciliation

Dear Secretary Burgess:

Orange and Rockland Utilities, Inc. ("O&R" or "the Company") hereby submits for filing a reconciliation of its Clean Energy Standard Supply ("CESS") Surcharge for the period April 1, 2017 through March 31, 2018 (the "reconciliation period"), and the determination of the CESS Surcharge that will become effective on April 1, 2018.

The Company's mechanism for recovery of the CESS Surcharge consists of two components: (1) Renewable Energy Credits ("RECs") including Alternative Compliance Payments ("ACPs"); and (2) Zero Emissions Credits ("ZECs"). The CESS costs incurred for the purchase of RECs and ZECs are collected from all O&R full-service customers, on a cents per kWh basis, through the Statement of Market Supply Charge.

The ZEC and REC costs for the reconciliation period are \$5,580,037 and \$25,415 respectively. The total over-collection for the period is \$12,889 and \$46,020 for ZEC's and REC's respectively, as shown on the attached workpapers. The ZEC and REC costs for the period April 1, 2018 to March 31, 2019, are estimated at \$5,318,394 and \$46,899 respectively.

Accordingly, the Company has determined that the REC surcharge shall be set at 0.00006 cents per kWh, and ZEC surcharge shall be set at 0.33670 cents per kWh for the 12 month period commencing April 1, 2018. This results in a combined surcharge of 0.337 cents per kWh that will be reflected on the April 2018 Statement of Market Supply Charge.

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

Orange and Rockland Utilities, Inc.

**Renewable Energy Credits/Alternative Compliance Payments and Zero Emission Credits Rates
For Period April 1, 2018 through March 31, 2019**

<u>Payment Due Date</u>	<u>Renewable Energy Credits Payments &/or Alternative Compliance Payments¹ (\$)</u>	<u>Zero Emission Credits Payment (\$)</u>
4/1/2018	\$3,908.26	\$443,199.57
5/1/2018	\$3,908.26	\$443,199.57
6/1/2018	\$3,908.26	\$443,199.57
7/1/2018	\$3,908.26	\$443,199.57
8/1/2018	\$3,908.26	\$443,199.57
9/1/2018	\$3,908.26	\$443,199.57
10/1/2018	\$3,908.26	\$443,199.57
11/1/2018	\$3,908.26	\$443,199.57
12/1/2018	\$3,908.26	\$443,199.57
1/1/2019	\$3,908.26	\$443,199.57
2/1/2019	\$3,908.26	\$443,199.57
3/1/2019	\$3,908.26	\$443,199.57
	Sub-Total	\$5,318,394.88
	Prior Period Reconciliation	(\$12,889.18)
	Total	\$5,305,505.70
O&R Forecasted F.S. Sales		
April 1, 2018 to March 31, 2019 (kWh)	1,580,288,000	1,580,288,000
Rate (Cents / kWh) (W/O UB%)	0.00006	0.33573
Total Uncollectible Factor	0.2876%	0.2876%
Rate (Cents / kWh) (With UB%)	0.00006	0.33670

1. The forecasted monthly REC expense for January 2019 through March 2019 is based on the 2018 monthly REC expense

Orange and Rockland Utilities, Inc.

Reconciliation Of Clean Energy Standard Supply ("CESS") Surcharge

Renewable Energy Credits and Zero Emission Credits Rates

For the Period April 1, 2017 through March 31, 2018

Reconciliation of Renewable Energy Credit ("REC") Component of CESS Surcharge	
Annual REC Collection Target	\$25,415
REC Collections for the Period April 1, 2017 through February 28, 2018 ¹	\$65,605
Estimated Collection for March 2018	\$5,831
Total Collection including March 2018 Estimate	\$71,435
Under/(Over) Collection	(\$46,020)
Reconciliation of Zero Emission Credit ("ZEC") Component of CESS Surcharge	
Annual Zero Emission Credit Collection Target	\$5,580,037
ZEC Collections for the Period April 1, 2017 through February 28, 2018 ¹	\$5,136,413
Estimated Collection for March 2018	\$456,514
Total Collection including March 2018 Estimate	\$5,592,927
Under/(Over) Collection	(\$12,889)

1. Excludes Uncollectibles

Orange and Rockland Utilities, Inc.

**Renewable Energy Credits/Alternative Compliance Payments and Zero Emission Credits Rates
For Period April 1, 2017 through March 31, 2018
Revised Targets**

<u>Payment Due Date</u>	<u>Renewable Energy Credits Payments &/or Alternative Compliance Payments¹ (\$)</u>	<u>Zero Emission Credits Payment (\$)</u>
1/31/2017	\$1,140.88	
2/28/2017	\$1,140.88	
3/31/2017	\$1,140.88	
4/30/2017	\$1,140.88	\$465,003.11
5/31/2017	\$1,140.88	\$465,003.11
6/30/2017	\$1,140.88	\$465,003.11
7/31/2017	\$1,140.88	\$465,003.11
8/31/2017	\$1,140.88	\$465,003.11
9/30/2017	\$1,140.88	\$465,003.11
10/31/2017	\$1,140.88	\$465,003.11
11/30/2017	\$1,140.88	\$465,003.11
12/31/2017	\$1,140.88	\$465,003.11
1/31/2018	\$3,908.26	\$465,003.11
2/28/2018	\$3,908.26	\$465,003.11
3/31/2018	<u>\$3,908.26</u>	<u>\$465,003.11</u>
Total	\$25,415.34	\$5,580,037.33

1. Revised REC expense for January through March 2018