

Rockland Electric Company 4 Irving Place New York NY 10003-0987 www.oru.com

May 27, 2016

Irene Kim Asbury, Secretary
State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
PO Box 350
Trenton, New Jersey 08625-0350

Re: Decision and Order Approving the Pass-Through of FERC

Authorized Changes in Firm Transmission Service Related Charges

in Docket No. ER16050401

#### Dear Secretary Asbury:

Rockland Electric Company ("RECO" or "the Company") hereby submits for filing ten copies of the following tariff leaves proposing revisions to its Schedule for Electric Service, B.P.U. No. 3 – ELECTRICITY.

14th Revised Leaf No. 83 Revised Leaf No. 90 16th 15th Revised Leaf No. 96 16th Revised Leaf No. 109 15th Revised Leaf No. 124 18th Revised Leaf No. 127

These tariff leaves, included as Attachment A, are issued on May 27, 2016 to become effective June 1, 2016.

This filing is made in compliance with the Board's Decision and Order, dated May 25. 2016 ("May Order"), in the above-referenced docket. The Order approved a joint filing made on May 4, 2016 by Atlantic City Electric Company, Jersey Central Power and Light Company, Public Service Electric and Gas Company and RECO (collectively "the EDCs") for approval of tariff changes reflecting recovery of Federal Energy Regulatory Commission ("FERC") approved changes in firm transmission service related charges. The EDCs' proposed tariff changes reflect changes to the Basic Generation Service ("BGS") Residential/Small Commercial Pricing ("BGS-RSCP") and Commercial and Industrial Energy Pricing ("BGS-CIEP") rates to customers resulting from changes to the PJM Open Access Transmission Tariff ("OATT") made in response to the annual formula rate update filing made by PSE&G in FERC Docket No. ER08-1233. The Transmission Enhancement Charges ("TECs") detailed in Schedule 12 of the PJM OATT were implemented to compensate transmission owners for the annual transmission revenue requirements for "Required Transmission Enhancements" that are requested by PJM for reliability or economic purposes. TECs are recovered by PJM through an additional transmission charge in the transmission zones assigned cost responsibility for Required Transmission Enhancement projects.

In December 2015, the EDCs submitted their annual filing to the Board in response to the annual formula rate update filings made by Potomac-Appalachian Transmission Highline, L.L.C.

("PATH") in FERC Docket No. ER08-386-000, Virginia Electric and Power Company ("VEPCo") in Docket No. ER-08-92-000 and by PSE&G in Docket No. ER09-1257-000. ("December 2015 Filing"). Pursuant to a November 2015 FERC Order, the EDCs excluded the allocation of the costs associated with the reconfigured portion of one of PSE&G's projects.

By order dated January 28, 2016, the Board authorized the EDCs to modify their rates to reflect the changes in their transmission charges resulting from the FERC-approved changes to the TECs effective as of March 1, 2016. The EDCs also received authorization to compensate the BGS suppliers for this transmission rate adjustment(s) subject to the terms and conditions of the Supplier Master Agreements ("SMAs").

By order dated April 22, 2016, FERC lifted the suspension initiated by the November 2015 FERC Order and allowed the cost allocations for the reconfigured portion of one of PSE&G's projects to flow through as filed by PSE&G.

Based on the above, RECO submits the tariff leaves included as Attachment A to reflect the Board's determination in the May Order. Specifically, RECO has revised its Transmission Surcharges, which include Board-approved TEC costs, to recover from customers and compensate the BGS suppliers for the changes summarized above, subject to the terms and conditions of the applicable SMAs. Differences between payments to BGS suppliers and charges to customers will flow through the Company's BGS Reconciliation Charges.

Included in this compliance filing are the following attachments:

Attachment A The above-referenced tariff leaves reflecting revisions to the

Transmission Surcharge for each of the affected Company service

classifications, effective June 1, 2016

Attachment B Determination of RECO's Transmission Surcharges applicable to its

customers taking Basic Generation Service effective June 1, 2016

Please date and time-stamp the enclosed extra copy of this letter and return it in the envelope provided.

Any questions regarding this filing can be directed to Cheryl Ruggiero at (212) 460-3189 or at ruggieroc@coned.com.

Very truly yours,

William A. Atzl, Jr.

Director – Rate Engineering

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Enclosure



## SERVICE CLASSIFICATION NO. 1 RESIDENTIAL SERVICE (Continued)

### RATE - MONTHLY (Continued)

- (3) Transmission Charge
  - (a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

	Summer Months*	Other Months		
First 250 kWh @	1.209 ¢ per kWh	1.209 ¢ per kWh		
Over 250 kWh @	1.209 ¢ per kWh	1.209 ¢ per kWh		

(b) <u>Transmission Surcharge</u> – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

All kWh 1.015 ¢ per kWh 1.015 ¢ per kWh

(4) <u>Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges</u>

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

(Continued)

ISSUED: May 27, 2016 EFFECTIVE: June 1, 2016

ISSUED BY: Timothy Cawley, President

Mahwah, New Jersey 07430

<sup>\*</sup> Definition of Summer Billing Months - June through September

# SERVICE CLASSIFICATION NO. 2 GENERAL SERVICE (Continued)

### **RATE – MONTHLY (Continued)**

- (3) <u>Transmission Charges</u> (Continued)
  - (b) <u>Transmission Surcharge</u> This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

	Summer Months*	Other Months
Secondary Voltage Service Only All kWh@		0.605 ¢ per kWh
Primary Voltage Service Only All kWh@	0.522 ¢ per kWh	0.522 ¢ per kWh

(4) <u>Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Surcharges</u>

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

(Continued)

ISSUED: May 27, 2016 EFFECTIVE: June 1, 2016

ISSUED BY: Timothy Cawley, President

Mahwah, New Jersey 07430

<sup>\*</sup> Definition of Summer Billing Months - June through September

## SERVICE CLASSIFICATION NO. 3 RESIDENTIAL TIME-OF-DAY HEATING SERVICE (Continued)

### **RATE – MONTHLY (Continued)**

(4)

- (3) Transmission Charge
  - (a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

	Western Divisions are defined in General Information Section No. 1.					
		Summer Months*	Other Months			
	Peak All kWh measured between 10: a.m. and 10:00 p.m., Monday through Friday @		0.811 ¢ per kWh			
	Off-Peak All other kWh@	0.811 ¢ per kWh	·			
(b)	Transmission Surcharge – This Generation Service from the Co Must Run and Transmission Er	ompany and includes	surcharges related to Reliability			
	All kWh@	0.608 ¢ per kWh	0.608 ¢ per kWh			
Societ Charg	tal Benefits Charge, Regional Gre les	enhouse Gas Initiativ	ve Surcharge, and Securitization			

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas

Ine provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges, as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

(Continued)

ISSUED: May 27, 2016 EFFECTIVE: June 1, 2016

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Mahwah, New Jersey 07430

<sup>\*</sup> Definition of Summer Billing Months - June through September

16th Revised Leaf No. 109 Superseding 15th Revised Leaf No. 109

## SERVICE CLASSIFICATION NO. 5 RESIDENTIAL SPACE HEATING SERVICE (Continued)

### **RATE - MONTHLY (Continued)**

- (3) Transmission Charge
  - (a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

	Summer Months*	Other Months		
First 250 kWh @	0.794 ¢ per kWh	0.794 ¢ per kWh		
Next 450 kWh @	0.794 ¢ per kWh	0.794 ¢ per kWh		
Over 700 kWh @	0.794 ¢ per kWh	0.794 ¢ per kWh		

(b) Transmission Surcharge – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

All kWh ... @ 0.678 ¢ per kWh 0.678 ¢ per kWh

(4) <u>Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization</u> Charges

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

(Continued)

ISSUED: May 27, 2016 EFFECTIVE: June 1, 2016

ISSUED BY: Timothy Cawley, President

Mahwah, New Jersey 07430

<sup>\*</sup> Definition of Summer Billing Months - June through September

# SERVICE CLASSIFICATION NO. 7 LARGE GENERAL TIME-OF-DAY SERVICE (Continued)

#### **RATE- MONTHLY (Continued)**

- (3) <u>Transmission Charges</u> (Continued)
  - (a) (Continued)

(===,	High Volt <u>Primary</u> <u>Distribu</u>						
Demand Charg	ge_						
Period I	All kW @	\$1.92 per kW	\$1.92 per kW				
Period II	All kW @	0.50 per kW	0.50 per kW				
Period III	All kW @	1.74 per kW	1.74 per kW				
Period IV	All kW @	0.50 per kW	0.50 per kW				
Usage Charge	<u>!</u>						
Period I	All kWh @	0.366 ¢ per kWh	0.366 ¢ per kWh				
Period II	All kWh @	0.366 ¢ per kWh	0.366 ¢ per kWh				
Period III	All kWh @	0.366 ¢ per kWh	0.366 ¢ per kWh				
Period IV	All kWh @	0.366 ¢ per kWh	0.366 ¢ per kWh				

(b) Transmission Surcharge – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

Primary	High Voltage <u>Distribution</u>
0.408 ¢ per kWh	0.408 ¢ per kWh

(4) <u>Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization</u>
Charges

All kWh @

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35 respectively, shall be assessed on all kWh delivered hereunder.

(Continued)

ISSUED: May 27, 2016 EFFECTIVE: June 1, 2016

ISSUED BY: Timothy Cawley, President

Mahwah, New Jersey 07430

All Periods

## SERVICE CLASSIFICATION NO. 7 LARGE GENERAL TIME-OF-DAY SERVICE (Continued)

#### **SPECIAL PROVISIONS**

#### (A) Space Heating

Customers who take service under this classification for 10 kW or more of permanently installed space heating equipment may elect to have the electricity for this service billed separately. All monthly use shall be billed at a Distribution Charge of 3.159 ¢ per kWh during the billing months of October through May and 5.106 ¢ per kWh during the summer billing months and a Transmission Charge of 0.552 ¢ per kWh and a Transmission Surcharge of 0.408 ¢ per kWh during all billing months.

When this option is requested it shall apply for at least 12 months and shall be subject to a minimum charge of \$26.96 per year per kW of space heating capacity. This provision applies for both heating and cooling where the two services are combined by the manufacturer in a single self-contained unit.

All usage under this Special Provision shall also be subject to Parts (4), (5), and (6) of RATE – MONTHLY. This Special Provision is not available to those customers taking high voltage distribution service.

This special provision is closed to new customers effective August 1, 2014.

#### (B) Budget Billing Plan

Any condominium association or cooperative housing corporation who takes service hereunder and any other customer taking service under Special Provision B of this Service Classification may, upon request, be billed monthly in accordance with the budget billing plan provided for in General Information Section 8 of this tariff.

(Continued)

ISSUED: May 27, 2016 EFFECTIVE: June 1, 2016

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Mahwah, New Jersey 07430

#### **Rockland Electric Company**

Calculation of Transmission Surcharges reflecting proposed changes effective May 1, 2016

To reflect: RMR Costs

FERC-approved ACE Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved AEP-East Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved Delmarva Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PATH Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PEPCO Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PPL Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PSE&G Project Schedule 12 Charges (Schedule 12 PJM OATT)
FERC-approved TrailCo Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved VEPCo Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates

#### (A) Transmission Surcharge rates by Transmission Project and Service Class (excluding SUT)

Transmission									
Project	Note	SC1	SC2 Sec	SC2 Pri	SC3	SC4	SC5	SC6	SC7
Reliability Must Run	(1)	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000
ACE - TEC	(2)	0.00004	0.00002	0.00002	0.00002	0.00000	0.00002	0.00000	0.00001
AEP-East - TEC	(3)	0.00004	0.00003	0.00002	0.00003	0.00000	0.00003	0.00000	0.00002
Delmarva - TEC	(4)	0.00003	0.00002	0.00001	0.00002	0.00000	0.00002	0.00000	0.00001
PATH - TEC	(5)	0.00006	0.00004	0.00003	0.00004	0.00000	0.00004	0.00000	0.00002
PEPCO - TEC	(6)	0.00004	0.00002	0.00002	0.00003	0.00000	0.00003	0.00000	0.00002
PPL - TEC	(7)	0.00022	0.00013	0.00012	0.00014	0.00000	0.00015	0.00000	0.00009
PSE&G - TEC	(8)	0.00831	0.00495	0.00426	0.00495	0.00000	0.00554	0.00000	0.00334
TrAILCo - TEC	(9)	0.00042	0.00025	0.00023	0.00026	0.00000	0.00028	0.00000	0.00017
VEPCo - TEC	(10)	0.00034	0.00020	0.00017	0.00020	0.00000	0.00023	0.00000	0.00014
Total (\$/kWh and excl SUT)		\$0.00950	\$0.00566	\$0.00488	\$0.00569	\$0.00000	\$0.00634	\$0.00000	\$0.00382
Total (¢/kWh and excl SUT)		0.950¢	0.566¢	0.488¢	0.569¢	0.000 ¢	0.634¢	0.000¢	0.382¢

#### (B) Transmission Surcharge rates by Transmission Project and Service Class (including SUT)

Transmission									
Project	Note	SC1	SC2 Sec	SC2 Pri	SC3	SC4	SC5	SC6	SC7
Reliability Must Run	(1)	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000
ACE - TEC	(2)	0.00004	0.00002	0.00002	0.00002	0.00000	0.00002	0.00000	0.00001
AEP-East - TEC	(3)	0.00004	0.00003	0.00002	0.00003	0.00000	0.00003	0.00000	0.00002
Delmarva - TEC	(4)	0.00003	0.00002	0.00001	0.00002	0.00000	0.00002	0.00000	0.00001
PATH - TEC	(5)	0.00006	0.00004	0.00003	0.00004	0.00000	0.00004	0.00000	0.00002
PEPCO - TEC	(6)	0.00004	0.00002	0.00002	0.00003	0.00000	0.00003	0.00000	0.00002
PPL - TEC	(7)	0.00024	0.00014	0.00013	0.00015	0.00000	0.00016	0.00000	0.00010
PSE&G - TEC	(8)	0.00889	0.00530	0.00456	0.00530	0.00000	0.00593	0.00000	0.00357
TrAILCo - TEC	(9)	0.00045	0.00027	0.00025	0.00028	0.00000	0.00030	0.00000	0.00018
VEPCo - TEC	(10)	0.00036	0.00021	0.00018	0.00021	0.00000	0.00025	0.00000	0.00015
Total (\$/kWh and incl SUT)		\$0.01015	\$0.00605	\$0.00522	\$0.00608	\$0.00000	\$0.00678	\$0.00000	\$0.00408
Total (¢/kWh and incl SUT)		1.015¢	0.605¢	0.522¢	0.608¢	0.000¢	0.678¢	0.000¢	0.408¢

#### Notes:

- (1) RMR rates based on allocations by transmission zone. For RECO, the estimated allocation is zero percent for calendar year 2016.
- (2) ACE-TEC rates pursuant to the Board's Order dated August 19, 2015 in Docket No. ER15070764.
- (3) AEP-East-TEC rates pursuant to the Board's Order dated August 19, 2015 in Docket No. ER15070764.
- (4) Delmarva-TEC rates pursuant to the Board's Order dated August 19, 2015 in Docket No. ER15070764.
- (5) PATH-TEC rates pursuant to the Board's Order dated February 6, 2016 in Docket No. ER15121430.
- (6) PEPCO-TEC rates pursuant to the Board's Order dated August 19, 2015 in Docket No. ER15070764.
- (7) PPL-TEC rates pursuant to the Board's Order dated August 19, 2015 in Docket No. ER15070764.
- (8) PSE&G-TEC rates calculated in Attachment 5 of the joint filing.
- (9) TrAILCo-TEC rates pursuant to the Board's Order dated August 19, 2015 in Docket No. ER15070764.
- (10) VEPCo-TEC rates pursuant to the Board's Order dated February 6, 2016 in Docket No. ER15121430.