



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF ROCKLAND ELECTRIC)
COMPANY’S ANNUAL RGGI SURCHARGE)
TRUE-UP FILINGS FOR 2019)
)
) ORDER APPROVING
) STIPULATION
)
) DOCKET NO. ER20010090

Parties of Record:

Margaret Comes, Esq., Rockland Electric Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities (“Board” or “BPU”) considers a stipulation of settlement (“Stipulation”) executed by Rockland Electric Company (“RECO” or “Company”), the New Jersey Division of Rate Counsel and Board Staff (“Staff”) (collectively “Parties”) intended to resolve the Company’s requests to revise its Regional Greenhouse Gas Initiative (“RGGI”) Surcharge.

BACKGROUND/PROCEDURAL HISTORY

Energy Efficiency Programs

By Order dated November 23, 2009, the Board approved a stipulation authorizing RECO to implement an Energy Efficiency Stimulus Program (“2009 EES Program”) with three (3) energy efficiency programs to be implemented for a one (1) year period ending December 31, 2010.¹ The 2009 EES Program included three (3) sub-programs: 1) a Residential Enhanced Rebate Sub-Program; 2) an On-Line Energy Audit Sub-Program; and 3) a Low Income Audit and Install Sub-Program (“Low Income Audit I Program”). The November 2009 Order also authorized the Company to recover costs associated with the 2009 EES Program through an EES Program Surcharge component of its RGGI Surcharge. Pursuant to the November 2009 Order, the Company is required to submit annual cost recovery filings to establish future RGGI Surcharge rates.

¹ In re Energy Efficiency Programs and Associated Cost Recovery Mechanisms and In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Program and Associated Cost Recovery, BPU Docket Nos. EO09010056 and EO09010061, Order dated November 23, 2009 (“November 2009 Order”).

By Order dated March 30, 2011, the Board authorized RECO to continue its 2009 EES Program through December 31, 2011.² Subsequently, through a series of Board Orders, the Board authorized RECO to extend only the Low Income Audit I Program through December 2013.³

By petition dated June 21, 2013, RECO filed for authorization to implement a Low Income Audit and Direct Install Energy Efficiency II Program ("Low Income Audit II Program"), which was similar to the Low Income Audit I Program. By Order dated April 23, 2014, the Board approved the Low Income Audit II Program and authorized the Company to implement a Low Income Audit II Program Surcharge component of its RGGI Surcharge of 0.0083 cents per kWh.⁴

By Order dated June 29, 2016, the Board approved a stipulation that authorized RECO to implement a RGGI Surcharge of 0.0192 cents per kWh ("June 2016 Stipulation").⁵ The approved RGGI Surcharge contained two (2) components: 1) an EES Program Surcharge of 0.0179 cents per kWh, and 2) a Low Income Audit II Program Surcharge of 0.0013 cents per kWh.⁶ In the June 2016 Stipulation, the Parties agreed that, going forward, the Company would make one (1) annual filing to review both the EES Program and the Low Income Audit II Program true-ups ("Combined Filing"), which would be filed by February 1st of each year, commencing February 1, 2017.

By Order dated December 12, 2016, the Board authorized RECO to implement a RGGI Surcharge of 0.0162 cents per kWh.⁷ The RGGI Surcharge contained two (2) components: 1) an EES Program surcharge of 0.0179 cents per kWh, which remained unchanged, and 2) a revised Low Income Audit II Program credit of 0.0017 cents per kWh.

By Order dated December 19, 2017, the Board authorized RECO to implement a RGGI credit of 0.0106 cents per kWh.⁸ The approved RGGI Surcharge contained two (2) components: 1) an

² In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Program and Associated Rate Recovery- Extension Request, BPU Docket No. EO10120987, Order dated March 30, 2011.

³ In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Program and Associated Rate Recovery- Extension Request, BPU Docket No. EO12020115, Order dated March 12, 2012; and In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Program and Associated Cost Recovery Mechanisms- Extension Request, BPU Docket No. EO12121073, Order dated March 20, 2013.

⁴ In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery, BPU Docket No. ER13060535, Order dated April 23, 2014. All rates quoted herein include Sales and Use Tax ("SUT").

⁵ In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery – 2014 Annual True-Up, BPU Docket No. EO14090972; In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery – 2015 Annual True-Up, BPU Docket No. ER15090996; and In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery – Low Income Audit II Program 2015 Annual True-Up, BPU Docket No. ER15040424, Order dated June 29, 2016.

⁶ The EES Program Surcharge component of the RGGI Surcharge recovers costs associated with the 2009 EES Program and associated extensions through December 31, 2013.

⁷ In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery – 2016 Annual True-Up, BPU Docket No. ER16020097, Order dated December 12, 2016.

⁸ In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery – 2016 Annual True-Up, BPU Docket No. ER17020083, Order dated December 19, 2017, ("December 2017 Order"). Subsequent to the December 2017 Order, the SUT rate decreased from 6.875% to 6.625% effective January 1, 2018 and RECO's rates, including the RGGI Surcharge were modified accordingly.

EES Program credit of 0.0034 cents per kWh, and 2) a revised Low Income Audit II Program credit of 0.0072 cents per kWh.

By Order dated March 26, 2018, the Board authorized RECO to establish its Low Income Audit and Direct Install Program Energy Efficiency III Program (“Low Income Audit III Program”).⁹

Solar Programs

By Order dated August 7, 2008, the Board directed RECO to file, by January 31, 2009, a solar financing program based upon Solar Renewable Energy Certificates (“SRECs”), utilizing and incorporating certain mandatory design and filing requirements.¹⁰ By Order dated July 31, 2009, the Board authorized the Company to implement its SREC Financing Program (“SREC I Program”).¹¹ Pursuant to the July 2009 Order, the costs for the SREC Financing Program (“Program Costs”) were to be charged through a component of the Company’s existing RGGI Surcharge. The SREC Financing Program component of the RGGI Surcharge would recover the following: 1) costs for the Company’s purchase of SRECs offset by revenues received by the Company from the auction of SRECs; 2) program administrative costs; 3) an SREC transaction fee of \$39.11 per SREC; and 4) interest on over- or under-recoveries. Pursuant to the July 2009 Order, as net Program Costs for the first year were uncertain and could vary, the RGGI Surcharge rate for the initial year was set to recover the estimated annual costs and would be reconciled on an annual basis. RECO was to revisit the RGGI Surcharge rate within 12 months of the awards from the first solicitation.

By Order dated December 18, 2013, the Board authorized RECO to offer an SREC II Program with a total program size of up to 4.5 MW.¹² The December 2013 Order set the Administrative Fee for SREC II Program participants at \$30 per SREC, and further ordered that after five (5) years there would be a true-up of administrative costs and program participants fees, and the program participant fee would be adjusted on a prospective basis beginning January 1, 2019. The December 2013 Order also directed RECO to assess Application Fees, Assignment and Administrative fees to Program Participants.

On April 26, 2017, the Company filed a petition to recover Program Costs related to its SREC I Program (“April 2017 Petition”). By Order dated January 31, 2018, the Board approved a stipulation executed by the Parties resolving the April 2017 Petition.¹³ The January 2018 Order authorized RECO to implement an SREC program component of its RGGI Surcharge of 0.0964 cents per kWh.

⁹ In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery, BPU Docket No. ER17080869, Order dated March 26, 2018.

¹⁰ In re the Renewable Energy Portfolio Standard: Amendments to the Minimum Filing Requirements for Energy Efficiency, Renewable Energy, and Conservation Programs, and for Electric Distribution Company Submittals of Filings in Connection with Solar Financing, BPU Docket No. EO06100744, Order dated August 7, 2008.

¹¹ In re the Verified Petition of Rockland Electric Company Concerning a Proposal for an SREC-Based Financing Program Under N.J.S.A. 48:3-98.1, BPU Docket No. EO09020097, Order dated July 31, 2009 (“July 2009 Order”).

¹² In re the Verified Petition of Rockland Electric Company for Approval to Implement an Extended Solar Renewable Energy Certificate-Based Financing Program Pursuant to N.J.S.A. 48: 3-98.1 (SREC II Program), BPU Docket No. EO13020118, Order dated December 18, 2013 (“December 2013 Order”).

¹³ In re the Recovery of Rockland Electric Company’s SREC Program Costs, BPU Docket No. ER17040429, Order dated January 31, 2018 (“January 2018 Order”).

On February 1, 2019 in BPU Docket No. ER19020156, RECO filed a petition seeking a modification to the cost recovery mechanism for its SREC II Program, citing lower than expected participation in the program, by increasing the Administrative Fee from \$30 to \$57.28 per SREC. By Order dated December 20, 2019, the Board authorized RECO to maintain an Administrative Fee of \$30 for calendar years 2019 and 2020 as well as implement a 0.0000 cents per kWh for the SREC II Program component of the RGGI Surcharge.¹⁴

By Order dated June 12, 2019, the Board authorized RECO to implement a RGGI Surcharge of 0.2068 cents per kWh.¹⁵ The approved RGGI Surcharge contained three (3) components: 1) an EES Program credit component of 0.0252 cents per kWh; 2) a Low Income Audit II Program credit of 0.0027 cents per kWh; and 3) a SREC I Program rate of 0.2285 cents per kWh.

By Order dated May 5, 2020, the Board authorized RECO to maintain its RGGI Surcharge of 0.2068 cents per kWh.¹⁶ The approved RGGI Surcharge contained four (4) components: 1) an EES Program component of credit of 0.0252 cents per kWh; 2) a Low Income Audit II Program component credit of 0.0027 cents per kWh; 3) a Low Income Audit III Program component of 0.0062 cents per kWh; and 4) a SREC I Program rate of 0.2285 cents per kWh.

By Order dated December 6, 2019, the Board established the Transitional Renewable Energy Certificate ("TREC") Program that was designed to bridge the gap between Legacy SREC Programs and a to-be-determined Successor Program.¹⁷ Pursuant to the TREC Order, on May 20, 2020 in BPU Docket No. ER20050363, RECO filed a petition seeking approval to recover initial costs associated with the TREC Program and establish the TREC as a new component within the Company's RGGI Surcharge. By Order dated August 12, 2020, the Board authorized RECO to recover costs associated with the TREC Program and establish a TREC component as part of the Company's RGGI Surcharge. As a result of the initial estimated costs associated with the TREC Program component, RECO was authorized to establish a TREC Program component rate of 0.0473 cents per kWh.¹⁸

On October 30, 2020 in BPU Docket No. ER20100691, RECO filed a petition seeking a modification to the cost recovery mechanism for its SREC II Program, citing lower than expected participation in the program, by increasing the Administrative Fee from \$30.00 to \$45.28 per SREC ("October 2020 Petition"). By Order dated December 16, 2020 the Board authorized RECO

¹⁴ In re the Verified Petition of Rockland Electric Company Concerning the Setting of the Administrative Fee and the Regional Greenhouse Gas Initiative Recovery Charge ("Rider RGGI") for 2019 Associated with its Solar Renewable Energy Certificate (SREC II) Program, BPU Docket No. ER19020156, Order dated December 20, 2019.

¹⁵ In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery – 2017 Annual True-Up and In re the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery – Low Income Audit II Program 2017 Annual True-Up, BPU Docket No. ER18020109; and In re the Recovery of Rockland Electric Company's SREC Program Costs 2018, BPU Docket No. ER18020131, Order dated June 12, 2019 ("June 2019 Order").

¹⁶ In re Rockland Electric Company's Annual RGGI Surcharge True-up Filings for 2018, BPU Docket No. ER19020145, Order dated May 5, 2020.

¹⁷ In re a New Jersey Solar Transmission Pursuant to P.L. 2018, C.17, BPU Docket No. QO19010068, Order dated December 6, 2019 ("TREC Order").

¹⁸ In re the Verified Petition of Rockland Electric Company for Approval of the Recovery of Associated Costs Related to the Transitional Renewable Energy Certificate Program ("TREC Program"), BPU Docket No. ER20050363, Order dated August 12, 2020 ("August 2020 Order").

to maintain an Administrative Fee of \$30 for calendar year 2021 while granting the parties additional time to review all other matters pertaining to the October 2020 Petition.¹⁹

2019 RGGI Surcharge Filing

On January 31, 2020, RECO filed a petition with the Board seeking approval to recover program costs and revenue requirements through the RGGI Surcharge, with the exclusion of the SREC II Program and TREC components, for calendar year 2019 ("2019 RGGI Surcharge Filing").²⁰ In the 2019 RGGI Surcharge Filing, RECO proposed to increase the RGGI Surcharge from 0.2068 to 0.2643 cents per kWh. The proposed RGGI Surcharge included the following components: 1) EES Program credit of 0.0123 cents per kWh; 2) a Low Income Audit II Program surcharge of 0.0158 cents per kWh; 3) a Low Income Audit III Program credit of 0.0038 cents per kWh; and 4) an SREC I Program surcharge of 0.2646 cents per kWh.

Throughout the course of the proceeding, RECO updated its actual expenses and revenues through October 31, 2020 ("December 2020 Update"). As a result of the December 2020 Update and incorporating the TREC rate component from the August 2020 Order, the resultant RGGI Surcharge rate decreased to 0.1285 cents per kWh.

After notice in newspapers of general circulation within the Company's service territory, telephonic public hearings were held on July 8, 2020 at 4:30 pm and 5:30 pm, respectively.²¹ No members of the public provided comments at any of the hearings or filed written comments with the Board.

STIPULATION

The Parties engaged in discovery in this matter and executed the Stipulation. The Stipulation provides the following²²:

A. RGGI Surcharge

17. The Parties agree that the Company will implement a RGGI Surcharge of 0.1285 cents per kWh (0.1205 cents per kWh, excluding SUT). As set forth in Appendices A through E attached to the Stipulation, the RGGI Surcharge includes the following components: 1) EES Program credit component of the RGGI credit of 0.0123 cents per kWh (a credit of 0.0115 cents per kWh, excluding SUT); 2) a Low Income Audit II Program rate of 0.0158 cents per kWh (0.0148 cents per kWh, excluding SUT); 3) Low Income Audit III Program credit of 0.0085 cents per kWh (a credit of 0.0080 cents per kWh, excluding SUT); 4) an SREC program rate of 0.0862 cents per kWh (0.0808 cents per kWh, excluding SUT). The current TREC Program rate of 0.0473 cents per kWh (0.0444 cents per kWh, excluding SUT) will remain unchanged. Additionally, as set forth in Exhibits A through E attached to the Stipulation, the Parties agree that the (over)/under-collected balances through

¹⁹ In re the Verified Petition of Rockland Electric Company Concerning the Setting of the Administrative Fee and the Regional Greenhouse Gas Initiative Recovery Charge ("Rider RGGI") for 2021 Associated with its Solar Renewable Energy Certificate (SREC II) Program, BPU Docket No. ER20100691, Order dated December 16, 2020.

²⁰ The 2019 RGGI Surcharge Filing did not include the review of the SREC II Program or TREC Program costs.

²¹ Due to the COVID-19 pandemic, hearings were held virtually.

²² Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order. Each paragraph is numbered to coincide with the paragraphs of the Stipulation.

December 31, 2019 are as follows for the following RGGI Surcharge components: 1) an over-collected balance of \$169,498 for the EES Program credit component; 2) an under-collected balance of \$178,921 for the Low Income Audit II Program; 3) an over-collected balance of \$141,849 for the Low Income Audit III Program; and 4) an under-collected balance of \$1,187,072 for the SREC I program component. The Parties agree that the proposed rates, as set forth in Appendices A through E attached to the Stipulation, are just and reasonable, and the Company is authorized to implement the proposed rate on the first day of the month following the date upon which a Board Order approving the Stipulation is served on the parties of record. The Parties agree that the costs through December 31, 2019 for the 2019 RGGI Surcharge Filing are deemed reasonable and prudent. All costs and recoveries after December 31, 2019 will be reviewed in subsequent true up filings.

B. Rate Impact

18. The Parties agree that the RGGI Surcharge will be set at 0.1285 cents per kWh (0.1205 cents per kWh, excluding SUT), which would be in effect until further changed by the Board. For a typical residential customer using 808 kWh per summer month, and 7,800 kWh on an annualized basis, the current monthly average bill will decrease \$0.82 from \$115.25 to \$114.43, or 0.71% based upon rates effective December 1, 2020. RECO shall file the revised tariff leaf with the new rates in the form set forth in Appendix F attached to the Stipulation, approved by Parties in the Stipulation.

C. Combined Filings

19. The Parties agree that RECO will make one (1) combined filing for all RGGI Surcharge components by February 1st of each year.

DISCUSSION AND FINDING

The Board reviewed the record in this matter, including the 2019 RGGI Surcharge Filing and the Stipulation. The Board is satisfied that the Stipulation represents a fair and reasonable resolution of the issues and demonstrates that the costs through December 31, 2019 in the 2019 RGGI Surcharge Filing are reasonable and prudent, and are in the public interest. Therefore, the Board **HEREBY ADOPTS** the attached Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as though fully set forth herein.

The Board **HEREBY AUTHORIZES** the decrease of the Company's current RGGI Surcharge of 0.2068 cents per kWh to 0.1285 cents per kWh. As a result of the Stipulation, a typical residential customer will experience an average monthly decrease of \$0.82, or 0.71%.

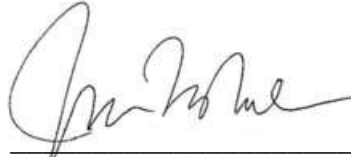
The Board **HEREBY ORDERS** the Company to file the appropriate revised tariff sheets conforming to the terms of the Stipulation by March 1, 2021.

The Company's costs, including those related to the RGGI Surcharge components, will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

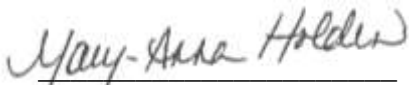
The effective date of this Order is February 27, 2021.

DATED: February 17, 2021

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF ROCKLAND ELECTRIC COMPANY'S ANNUAL RGGI SURCHARGE
TRUE-UP FILINGS FOR 2019
BPU DOCKET NO. ER20010090

SERVICE LIST

Division of Rate Counsel

140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Stefanie A. Brand, Esq., Director
sbrand@rpa.nj.gov

Brian O. Lipman, Litigation Manager
blipman@rpa.nj.gov

Felicia Thomas-Friel, Esq.
ftomas@rpa.nj.gov

Kurt Lewandowski, Esq.
klewandowski@rpa.nj.gov

Robert Henkes
7 Sunset Road
Old Greenwich CT 06870
rhenkes@optonline.net

Division of Law

25 Market Street
Post Office Box 112
Trenton, NJ 08625-0112

Pamela Owen, DAG
pamela.owen@law.njoag.gov

Michael Beck, DAG
michael.beck@law.njoag.gov

Daren Eppley, DAG
daren.eppley@law.njoag.gov

Meliha Arnautovic, DAG
meliha.arnautovic@law.njoag.gov

Board of Public Utilities

44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Aida Camacho-Welch, Secretary of the Board
board.secretary@bpu.nj.gov

Division of Energy

Stacy Peterson, Director
stacy.peterson@bpu.nj.gov

Paul Lupo, Bureau Chief
paul.lupo@bpu.nj.gov

Bart Kilar
bart.kilar@bpu.nj.gov

Counsel's Office

Heather Weisband, Esq.
heather.weisband@bpu.nj.gov

Rockland Electric Company

4 Irving Place – Room 1815-S
New York, NY 10003-0987

John Carley, Esq.
carleyj@coned.com

Margaret Comes, Esq.
comesm@coned.com

Mike DiGravina
digravinam@coned.com

Cheryl Ruggiero
ruggieroc@coned.com

Kelly Rolo
1 Blue Hill Plaza
Pearl River, New York 10965
rolok@oru.com



Rockland Electric Company

Margaret Comes
Associate Counsel
Law Department

January 28, 2021

Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue
3rd Floor, Suite 314
P.O. Box 350
Trenton, NJ 08625-0350

**RE: In the Matter of Rockland Electric Company's Annual RGGI Surcharge
True-Up Filing for Calendar Year 2019**

Docket BPU Docket No. ER20010090

Dear Secretary Camacho-Welch:

Enclosed for filing on behalf of Rockland Electric Company ("RECO") ("Rockland" or "the Company") is Stipulation of Settlement in the above matter.

Consistent with the Order issued by the Board of Public Utilities (the "Board" or "BPU") in connection with *In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed with the Secretary of the Board and the New Jersey Division of Rate Counsel. No paper copies will follow.

Respectfully submitted,


Margaret Comes

Enc.

cc: Email list

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

**In the Matter of the Recovery of Rockland
Electric Company's RGGI Surcharge True-
Up Filing for 2019**

STIPULATION OF SETTLEMENT

BPU Docket No. ER20010090

APPEARANCES:

Margaret Comes, Attorney for the Petitioner, Rockland Electric Company

Brian O. Lipman, Litigation Manager, Felicia Thomas-Friel, Deputy Rate Counsel and Kurt S. Lewandowski, Assistant Deputy Rate Counsel, Division of Rate Counsel (Stefanie A. Brand, Director)

Meliha Arnautovic, Deputy Attorney General, for Staff of the New Jersey Board of Public Utilities (Gurbir S. Grewal, Attorney General of New Jersey)

TO: THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES

It is hereby AGREED, as of January 27, 2021, by and among Rockland Electric Company ("RECO" or "Company"), the Staff of the New Jersey Board of Public Utilities ("Board Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") to execute this Stipulation of Settlement ("Stipulation") and join in recommending that the New Jersey Board of Public Utilities ("Board" or "BPU") issue a Final Decision and Order approving this Stipulation, including the attachments and proposed sheets of the Company's electric service tariff as set forth herein.

BACKGROUND

By this Stipulation, the Parties agree to the final (over)/under-collected balances associated with the Company's annual Regional Greenhouse Gas Initiative ("RGGI") Surcharge True-Up Filing for calendar year 2019 ("2020 Combined Filing"). The 2020 Combined Filing includes the reconciliation of the following four (4) components of the RGGI Surcharge: 1) the Energy Efficiency Stimulus Program ("EES Program") component; 2) the Low Income Audit and Direct Install Energy Efficiency Program II ("Low Income Audit II Program") component; 3) the Low Income Audit and Direct Install Energy Efficiency Program III ("Low Income Audit III Program") component; and 4) the Solar Renewable Energy Certificate ("SREC") I Program component. The Stipulation does not include the SREC II or Transitional Renewable Energy Certificate ("TREC") Program Components of the RGGI Surcharge. Those components have been, or are being addressed, in separate proceedings.

EES, Low Income II, and Low Income III Filings

1. The EES Program was established by the Board in its Decision and Order Approving Stipulation dated November 23, 2009 in BPU Docket Nos. EO09010056 and EO09010061 ("November 2009 Order"). The 2009 EES Program included three (3) sub-programs: 1) a Residential Enhanced Rebate Sub-Program, which provided enhanced rebates to induce residential energy consumers to select energy efficient measures; 2) an On-Line Energy Audit Sub-Program, where the Company selected a vendor to create software so that customers could conduct an on-line energy audit and cost/benefit analysis, using their billing information from the Company's billing database; and 3) a Low Income Audit and Install Sub-Program ("Low Income Audit I Program") where the Company selected a vendor to provide its low income customers with an energy audit and energy efficiency measures at no cost to the customer.

2. On June 21, 2013, the Company filed a Verified Petition in BPU Docket No. ER13060535 seeking Board approval to administer a new energy efficiency program called the Low Income Audit II, which was similar in most respects to the Low Income Audit I program. The Low Income Audit II Program was approved by the Board by Order dated April 23, 2014.¹

3. On May 18, 2016 in BPU Docket Nos. EO14090972, ER15090996, and ER15040424, the Parties entered into a stipulation agreeing that going forward, the Company would make one annual filing to review both the EES Program and the Low Income Audit II Program true-ups (“Combined Filing”), and the Combined Filing would be filed by February 1st of each year, commencing February 1, 2017 (“May 2016 Stipulation”). The May 2016 Stipulation was approved by the Board by Order dated June 29, 2016.²

4. On February 1, 2017, the Company filed a petition in BPU Docket No. ER17020083 seeking Board approval of its 2016 Combined Filing annual true-up. The Parties entered into a stipulation on November 20, 2017, which was approved by the Board by Order dated December 19, 2017.³ The December 2017 Order approved a RGGI Surcharge credit of 0.0106 cents per kWh, including Sales and Use Tax (“SUT”) (0.0098 cents per kWh, excluding SUT), consisting of 1) an EES Program credit of 0.0034 cents per kWh, including SUT (a credit of 0.0031 cents per kWh, excluding SUT), and 2) a Low Income Audit II Program credit of 0.0072 cents per kWh, including SUT (a credit of 0.0067 cents per kWh, excluding SUT).

¹ See Decision and Order Approving Stipulation, *I/M/O Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery*, BPU Docket No. ER13060535 (April 23, 2014).

² See Order Approving Stipulation, *I/M/O Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery-2014 Annual True-Up, et al*, BPU Docket Nos. EO14090972, ER15090996, and ER15040424 (June 29, 2016).

³ See Order Approving Stipulation, *I/M/O Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery – 2016 Annual True-Up*, BPU Docket No. ER17020083 (December 19, 2017) (“December 2017 Order”).

5. On August 9, 2017, the Company filed a petition in BPU Docket No. ER17080869 seeking Board approval of a Low Income Audit III Program, which was similar in most respects to the Low Income Audit I and II programs. The Low Income Audit III Program was approved by the Board on March 26, 2018.⁴

6. On February 1, 2018, the Company filed a petition in BPU Docket No. ER18020109 seeking Board approval of its Combined Filing annual true-up of costs and revenues for calendar year 2017 (“2018 RGGI True Up”). The 2018 RGGI True Up proposed a RGGI Surcharge credit of 0.0281 cents per kWh, including SUT (a credit of 0.0263 cents per kWh, excluding SUT), which included an EES Program credit of 0.0255 cents per kWh, including SUT (a credit of 0.0239 cents per kWh excluding SUT), and a Low Income Audit II Program credit of 0.0026 cents per kWh, including SUT (a credit of 0.0024 cents per kWh excluding SUT).⁵ The Company updated its actual expenses and revenues through September 30, 2018 and its projected expenses and revenues through December 2018. As a result of the updates⁶, the proposed EES Program credit component of the RGGI Surcharge rate increased from the current credit of 0.0033 cents per kWh, including SUT (a credit of 0.0031 cents per kWh, excluding SUT) to a credit of 0.0252 cents per kWh, including SUT (a credit of 0.0236 cents per kWh, excluding SUT). The proposed Low Income Audit II Program credit component of the RGGI Surcharge decreased from the current credit of 0.0072 cents per kWh, including SUT (a credit of 0.0067 cents per kWh, excluding SUT) to a credit of 0.0027 cents per kWh, including SUT (a credit of 0.0025 cents per kWh, excluding SUT). Therefore, as a result of the updates to the EES Program and the Low Income Audit II Program,

⁴ Decision and Order Approving Stipulation, *IMO Verified Petition of Rockland Electric Company for Approval of An Energy Efficiency Stimulus Program and Associated Rate Recovery*, BPU Docket No. ER17080869 (March 26, 2018).

⁵ The 2018 RGGI True-Up filing did not include costs or revenues from the Low Income Audit III Program.

⁶ The Sales and Use Tax rate decreased from 6.875% to 6.625% effective January 1, 2018.

the Company's proposed RGGI Surcharge in the 2018 RGGI True-Up filing decreased from a credit of 0.0106 cents per kWh, including SUT (a credit of 0.0098 cents per kWh, excluding SUT), to a credit of 0.0279 cents per kWh, including SUT (a credit of 0.0261 cents per kWh, excluding SUT). The Parties executed a stipulation with these updated rates, which were approved by the Board on June 12, 2019 in BPU Docket No. ER18020109.⁷

SREC Program

7. By Order dated August 7, 2008, the Board directed RECO to file a solar financing program based upon Solar Renewable Energy Certificates ("SRECs"), utilizing and incorporating certain mandatory design and filing requirements by January 31, 2009. By Order dated July 31, 2009 in BPU Docket No. EO09020097, the Board authorized the Company to implement an SREC Financing Program ("SREC Program") ("July 2009 Order"). Pursuant to the July 2009 Order, the costs for the SREC Program ("SREC Program Costs") were to be charged through a component of the Company's existing RGGI Surcharge. Such component of the RGGI Surcharge would recover the following: 1) costs for the Company's purchase of SRECs offset by revenues received by the Company from the auction of SRECs; 2) program administrative costs; 3) an SREC transaction fee of \$39.11 per SREC; and 4) interest on over- or under-recoveries. Pursuant to the July 2009 Order, as net Program Costs for the first year were uncertain and may vary, the RGGI Surcharge rate for the initial year was set to recover the estimated annual costs and would be reconciled on an annual basis. RECO was to revisit the RGGI Surcharge rate within 12 months of the awards from the first solicitation.

⁷ Order Approving Stipulation, *IMO the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate - 2017 Annual True-Up and IMO the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery - Low Income Audit II Program 2017 Annual True-Up* BPU Docket No. ER18020109 (June 12, 2019).

8. On April 26, 2017, the Company filed its first petition to recover its SREC Program Costs (“Initial SREC True Up Filing”).⁸ In the Initial SREC True Up Filing, the Company proposed a charge of 0.0984 cents per kWh, including SUT (0.0921 cents per kWh, excluding SUT) to recover SREC Program Costs. The SREC Program component of the RGGI Surcharge would be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected. Any difference would be included in the SREC Program component of the following year’s RGGI Surcharge. The difference between the actual monthly costs associated with the SREC Program and actual recoveries through the SREC Program component of the RGGI Surcharge would be deferred, with interest, for future recovery.

9. In 2009, RECO began purchasing and selling SRECs. However, the Initial SREC True Up Filing was the first petition filed by RECO for recovery of SREC Program Costs. Accordingly, the Company proposed to recover the costs accumulated from 2009 through December 31, 2016 over a three-year period. The Initial SREC True Up Filing further proposed that on February 1st of each year, the Company would file with the Board the SREC Program component of the RGGI Surcharge to be effective for the 12-month period commencing the following June 1st. The SREC Program component of the RGGI Surcharge would be set to recover any prior period over- or under-recovered balance, including interest, and to provide current recovery of the forecasted SREC Program costs over the 12-month period commencing the following June 1st. Pursuant to the Initial SREC True Up Filing, the Company proposed that filings be made on February 1st of the accumulated SREC Program Costs through December 31, 2016 in addition to the recovery of the prior year’s over- or under-recovered balances and the forecasted SREC Program Costs for the

⁸ These SREC Program Costs do not include costs associated with RECO’s SREC II Program, which was approved in Docket No. EO13020118. The SREC II Program costs are addressed in a separate filing.

following 12-month period and interest on the over- or under- recovered balances related to the reconciliation of program costs beginning January 1, 2017. Interest would be included in the deferred balance for both an over-collection and for an under-collection of the program costs beginning January 1, 2017, and would be calculated as determined by the Board in the July 2009 Order. In the Initial SREC True Up Filing, the total increase in revenue requested by the Company was \$4.3 million, including interest.

10. On January 16, 2018, the Parties executed a stipulation resolving the Initial SREC True Up Filing, which was approved by the Board on January 31, 2018 (“Initial SREC True Up Stipulation”).⁹

11. Pursuant to the Initial SREC True Up Stipulation, the Company agreed that there would be no interest applicable to the accumulated SREC Program Costs through December 31, 2016, nor would there be any interest on the unamortized accumulated SREC Program Costs through December 31, 2016 of \$4,205,585 and during the subsequent three (3) year amortization period. Pursuant to the Initial SREC True Up Stipulation, the SREC Program Rate was set at 0.0964 cents per kWh, including SUT (0.0904 cents per kWh, excluding SUT), and was based upon program costs through December 31, 2016 totaling \$4,205,585. The SREC Program Costs are recovered through the Company’s RGGI Surcharge.

12. On February 1, 2018, the Company filed its 2018 SREC Program True-Up filing to recover calendar year 2017 program costs in BPU Docket No. ER18020131 (“2018 SREC True Up Filing”). In the 2018 SREC True Up Filing, the Company proposed an increase in the SREC component rate to 0.3223 cents per kWh, including SUT (0.3023 cents per kWh, excluding SUT), to recover 2017 SREC Program Costs. The Company updated its program costs with actual data

⁹ Order Approving Stipulation, *IMO the Recovery of Rockland Electric Company’s SREC Program Costs*, BPU Docket No. ER17040429 (January 31, 2018).

through December 2018. As a result of the updates, the SREC Program component of the RGGI Surcharge rate increased from 0.0964 cents per kWh, including SUT (0.0904 cents per kWh, excluding SUT), to 0.2285 cents per kWh, including SUT (0.2143 cents per kWh, excluding SUT). The Parties executed a stipulation, which was approved by the Board on June 12, 2018 in BPU Docket No. ER18020131.

2019 Combined Filing

13. On February 1, 2019, the Company made its 2019 Combined Filing for the following components of the RGGI Surcharge: 1) the EES Program; 2) the Low Income Audit II Program; 3) the Low Income Audit III Program; and 4) the SREC I Program. In the 2019 Combined Filing the Company proposed a RGGI Surcharge of 0.3670 cents per kWh, including SUT effective June 1, 2019. The 2019 Combined Filing proposed the following rates for the components of the RGGI Surcharge: 1) a credit of 0.0236 cents per kWh, including SUT (a credit of 0.0221 cents per kWh, excluding SUT), for the EES Program; 2) a surcharge of 0.0075 cents per kWh, including SUT (0.0070 cents per kWh, excluding SUT), for the Low Income Audit II Program; 3) a surcharge of 0.0003 cents per kWh, including SUT (0.0003 cents per kWh, excluding SUT), for the Low Income Audit III Program; and 4) a surcharge of 0.3828 cents per kWh, including SUT (0.3590 cents per kWh, excluding SUT), for the SREC I Program. The Company updated its actual expenses through December 31, 2019. As a result of the updates, the proposed RGGI Surcharge decreased from the then current rate of 0.2068 cents per kWh, including SUT (0.1940 cents per kWh, excluding SUT), to 0.1923 cents per kWh, including SUT (0.1805 cents per kWh, excluding SUT). The EES Program component of the RGGI Surcharge increased from a credit of 0.0252 cents per kWh, including SUT (a credit of 0.0236 cents per kWh, excluding SUT), to a credit of 0.0237 cents per kWh, including SUT (a credit of 0.0222 cents per kWh, excluding SUT). The Low Income Audit

II Program component of the RGGI Surcharge increased from the current credit of 0.0027 cents per kWh, including SUT (a credit of 0.0025 cents per kWh, excluding SUT), to a surcharge of 0.0075 cents per kWh, including SUT (0.0070 cents per kWh, excluding SUT). The Low Income Audit III Program component of the RGGI Surcharge decreased from 0.0062 cents per kWh, including SUT (0.0058 cents per kWh, excluding SUT), to a credit of 0.0037 cents per kWh, including SUT (a credit of 0.0034 cents per kWh, excluding SUT). The SREC I Program component of the RGGI Surcharge decreased from the current rate of 0.2285 cents per kWh, including SUT (0.2143 cents per kWh, excluding SUT), to 0.2122 cents per kWh, including SUT (0.1991 cents per kWh, excluding SUT). The 2019 Combined Filing was approved by the Board by Order dated May 5, 2020.¹⁰

2020 Combined Filing

14. On January 31, 2020, the Company made its 2020 Combined Filing in BPU Docket No. ER20010090 for calendar year 2019. In its 2020 Combined Filing, the Company proposed to increase the current RGGI surcharge rate from 0.2068 cents per kWh, to 0.2643 cents per kWh, including SUT, effective June 1, 2020. Since the 2020 Combined Filing was made, the Board approved an additional component of the RGGI Surcharge - the TREC component.¹¹ The TREC component of the RGGI Surcharge became effective September 1, 2020, and resulted in the currently effective combined RGGI Surcharge rate of 0.2541 cents per kWh, including SUT. Additionally, since the filing of the 2020 Combined Filing, the Company updated its actual expenses and revenues through October 31, 2020 and projected expenses and revenues through

¹⁰ Order Approving Stipulation, *In the Matter of the Petition of Rockland Electric Company's Annual RGGI Surcharge True-Up Filings for 2018*, BPU Docket Number ER19020145 (May 5, 2020).

¹¹ Decision and Order Approving Stipulation, *In the Matter of the Verified Petition of Rockland Electric Company for Approval of the Recovery of Associated Costs Related to the Transitional Renewable Energy Certificate Program ("TREC" Program)*, BPU Docket Number ER20050363 (August 12, 2020).

May 31, 2021. As a result of these updates, the Company proposes a decrease in the RGGI Surcharge rate from 0.2541 cents per kWh to 0.1285 cents per kWh, including SUT. As a result of the decrease, the current monthly average bill for a typical residential customer using 808 kWh per summer month and 7,800 kWh on an annual basis, will decrease \$0.82 from \$115.25 to \$114.43, or 071% based upon rates effective December 1, 2020.

15. On July 8, 2020 the Company conducted a telephonic public hearing as result of the COVID-19 pandemic, and to comply with social distancing mandates issued by the Governor. No members of the public appeared to provide comments or filed written comments with the Board.

16. The Parties hereby STIPULATE AND AGREE as follows:

STIPULATED MATTERS

A. RGGI Surcharge

17. The Parties agree that the Company will implement a RGGI Surcharge of 0.1285 cents per kWh, including SUT (0.1205 cents per kWh, excluding SUT). As set forth in Appendices A through E attached to this Stipulation, the RGGI Surcharge includes the following components: 1) EES Program credit component of the RGGI credit of 0.0123 cents per kWh, including SUT (a credit of 0.0115 cents per kWh, excluding SUT); 2) a Low Income Audit II Program rate of 0.0158 cents per kWh, including SUT (0.0148 cents per kWh, excluding SUT); 3) Low Income Audit III Program credit of 0.0085 cents per kWh, including SUT (a credit of 0.0080 cents per kWh, excluding SUT); 4) an SREC program rate of 0.0862 cents per kWh, including SUT (0.0808 cents per kWh, excluding SUT). The current TREC Program rate of 0.0473 cents per kWh, including SUT (0.0444 cents per kWh, excluding SUT) will remain unchanged. Additionally, as set forth in Exhibits A through E attached to this Stipulation, the Parties agree that the (over)/under-collected balances through December 31, 2019 are as follows for the following RGGI Surcharge

components: 1) an over-collected balance of \$169,498 for the EES Program credit component; 2) an under-collected balance of \$178,921 for the Low Income Audit II Program; 3) an over-collected balance of \$141,849 for the Low Income Audit III Program; and 4) an under-collected balance of \$1,187,072 for the SREC I program component. The Parties agree that the proposed rates, as set forth in Appendices A through E, are just and reasonable, and the Company is authorized to implement the proposed rate on the first day of the month following the date upon which a Board Order approving this Stipulation is served on the parties of record. The Parties agree that the costs through December 31, 2019 for the 2020 Combined Filing are deemed reasonable and prudent. All costs and recoveries after December 31, 2019 will be reviewed in subsequent true up filings.

B. Rate Impact

18. The Parties agree that the RGGI Surcharge will be set at 0.1285 cents per kWh, including SUT (0.1205 cents per kWh, excluding SUT), which would be in effect until further changed by the Board. For a typical residential customer using 808 kWh per summer month, and 7,800 kWh on an annualized basis, the current monthly average bill will decrease \$0.82 from \$115.25 to \$114.43, or 0.71% based upon rates effective December 1, 2020. RECO shall file the revised tariff leaf with the new rates in the form set forth in Appendix F hereto, approved by Parties in this Stipulation.

C. Combined Filings

19. The Parties agree that RECO will make one (1) combined filing for all RGGI Surcharge components by February 1st of each year.

CONCLUSION

20. This Stipulation represents a mutual balancing of interests, contains interdependent provisions and, therefore, is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by the Board, any Signatory Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues addressed herein to a conclusion.

21. More particularly, in the event this Stipulation is not adopted in its entirety by the Board, in any applicable Order, then any Signatory Party hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed. It is the intent of the Parties that the provisions hereof be approved by the Board as being in the public interest. The Parties further agree that they consider the Stipulation to be binding on them for all purposes herein. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of these proceedings. Except as expressly provided herein, the Company, Board Staff, and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein and, in total or by specific item.

22. The Parties further agree that this Stipulation is in no way binding upon them and shall not be asserted in any other proceeding, except to enforce the terms of this Stipulation.

WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue an appropriate Order approving it in its entirety, in accordance with the terms hereof.

ROCKLAND ELECTRIC COMPANY

By: Margaret Comes
Margaret Comes
Attorney for Rockland Electric Company

**DIVISION OF RATE COUNSEL
STEFANIE A. BRAND, DIRECTOR**

By: Kurt S. Lewandowski
Kurt S. Lewandowski, Esq.
Asst. Deputy Rate Counsel

**GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY**
Attorney for the Staff of the Board of
Public Utilities

By: Meliha Arnautovic
Meliha Arnautovic
Deputy Attorney General

ER 20010090

ROCKLAND ELECTRIC COMPANY

Determination of Regional Gas Initiative ("RGGI") Surcharge

<u>RGGI Rate Components</u>	<u>Excl. SUT</u> <u>(¢/kWh)</u>	<u>Incl. SUT</u> <u>(¢/kWh)</u>
EES Program ¹	(0.0115)	(0.0123)
Low Income Audit II Program ²	0.0148	0.0158
Low Income Audit III Program ³	(0.0080)	(0.0085)
SREC I ⁴	0.0808	0.0862
SREC II	0.0000	0.0000
TREC	<u>0.0444</u>	<u>0.0473</u>
Total	0.1205	0.1285

1. See Appendix B

2. See Appendix C

3. See Appendix D

4. See Appendix J

ROCKLAND ELECTRIC COMPANY

Determination of Regional Greenhouse Gas Initiative ("RGGI") Surcharge - EES Program

Determination of EES Program Reconciliation Adjustment Component of RGGI Surcharge

EES Program Recoveries (January 1, 2019 - December 31, 2019)	(\$202,139)
EES Program Revenue Requirement	(29,102)
Prior Period Reconciliation (Over)/Under Recovery - See Page 2	<u>(337,044)</u>
EES Program (Over)/Under Recovery Balance	(164,007)
Interest (Over)/Under Recovery Balance	<u>(5,491)</u>
Total EES Program (Over)/Under Recovery Balance for 12 ME 12/31/2019	(169,498)
Projected Sales (kWh) 12 months ending May 31, 2021	1,468,978,000
\$ per kWh Reconciliation to be (Refunded)/Surcharged	(\$0.000115)
Sales and Use Tax ("SUT")	1.06625
EES Program Reconciliation Adjustment	(\$0.000123)

RGGI Surcharge

Proposed EES Program Component of RGGI Surcharge Excluding SUT (\$ per kWh)	(\$0.000115)
Proposed EES Program Component of RGGI Surcharge Including SUT (\$ per kWh)	(\$0.000123)

ROCKLAND ELECTRIC COMPANY**Calculation of Over/Under Recovery Associated with EES Program Component of RGI Surcharge**

	<u>Jan-18</u> Actual	<u>Feb-18</u> Actual	<u>Mar-18</u> Actual	<u>Apr-18</u> Actual	<u>May-18</u> Actual	<u>Jun-18</u> Actual	<u>Jul-18</u> Actual	<u>Aug-18</u> Actual	<u>Sep-18</u> Actual	<u>Oct-18</u> Actual	<u>Nov-18</u> Actual	<u>Dec-18</u> Actual	<u>Total</u>
1. Determination of (Over)/Under Recovered Balance													
Revenue Requirement ¹	(\$529)	(\$1,560)	(\$1,602)	(\$1,588)	(\$996)	(\$1,660)	(\$1,746)	(\$1,778)	(\$1,831)	(\$2,163)	(\$2,373)	(\$2,489)	(\$20,314)
Prior Period Reconciliation Adj. ²	(344,032)												(\$344,032)
Monthly Recoveries	10,646	(3,962)	(3,483)	(3,431)	(3,449)	(4,288)	(5,174)	(5,283)	(5,017)	(3,808)	(3,764)	(3,888)	(\$34,902)
(Over)/Under Recovery	<u>(\$355,207)</u>	<u>\$2,402</u>	<u>\$1,881</u>	<u>\$1,844</u>	<u>\$2,453</u>	<u>\$2,628</u>	<u>\$3,429</u>	<u>\$3,505</u>	<u>\$3,186</u>	<u>\$1,645</u>	<u>\$1,391</u>	<u>\$1,398</u>	<u>(\$329,445)</u>
Beginning Balance - (Over)/Under Recovery	(\$344,032)	(\$355,207)	(\$352,806)	(\$350,925)	(\$349,081)	(\$346,627)	(\$344,000)	(\$340,571)	(\$337,066)	(\$333,880)	(\$332,235)	(\$330,843)	
Ending Balance (Over)/Under Recovery	<u>(\$355,207)</u>	<u>(\$352,806)</u>	<u>(\$350,925)</u>	<u>(\$349,081)</u>	<u>(\$346,627)</u>	<u>(\$344,000)</u>	<u>(\$340,571)</u>	<u>(\$337,066)</u>	<u>(\$333,880)</u>	<u>(\$332,235)</u>	<u>(\$330,843)</u>	<u>(\$329,445)</u>	
Average Balance (Over)/Under	<u>(\$349,620)</u>	<u>(\$354,006)</u>	<u>(\$351,865)</u>	<u>(\$350,003)</u>	<u>(\$347,854)</u>	<u>(\$345,314)</u>	<u>(\$342,285)</u>	<u>(\$338,818)</u>	<u>(\$335,473)</u>	<u>(\$333,057)</u>	<u>(\$331,539)</u>	<u>(\$330,144)</u>	
Average Balance (Over)/Under - Net of Tax	<u>(\$251,342)</u>	<u>(\$254,495)</u>	<u>(\$252,956)</u>	<u>(\$251,617)</u>	<u>(\$250,072)</u>	<u>(\$248,246)</u>	<u>(\$246,069)</u>	<u>(\$243,576)</u>	<u>(\$241,171)</u>	<u>(\$239,435)</u>	<u>(\$238,343)</u>	<u>(\$237,341)</u>	
Interest Rate (Annual) ³	2.52%	2.76%	2.82%	2.85%	3.10%	3.07%	3.17%	3.27%	3.26%	3.42%	3.44%	3.43%	
Interest Rate (Monthly)	0.21%	0.23%	0.24%	0.24%	0.26%	0.26%	0.26%	0.27%	0.27%	0.29%	0.29%	0.29%	
Interest (To Customer) /To Company	(\$528)	(\$585)	(\$594)	(\$598)	(\$646)	(\$635)	(\$650)	(\$664)	(\$655)	(\$682)	(\$683)	(\$678)	<u>(\$7,599)</u>
													Total (Over)/Under Collection Including Interest
													<u>(\$337,044)</u>

Notes: ¹ Based on WACC of 7.47% effective March 1, 2017

² Prior period reconciliation adjustment is equal to the ending balance as shown on Exhibit B page 2 of 10, of the stipulation of settlement dated May 21, 2019 (as approved by the Board in its June 12, 2019 Order approving stipulation in BPU Docket Nos. ER18020109 and ER18020131)

³ Federal Reserve Board US Treasury Securities at two year constant maturity plus 60 basis points. Interest calculated on a net-of-tax basis.

ROCKLAND ELECTRIC COMPANY**Calculation of Over/Under Recovery Associated with EES Program Component of RGGI Surcharge**

	Jan-19 Actual	Feb-19 Actual	Mar-19 Actual	Apr-19 Actual	May-19 Actual	Jun-19 Actual	Jul-19 Actual	Aug-19 Actual	Sep-19 Actual	Oct-19 Actual	Nov-19 Actual	Dec-19 Actual	Total
1. Determination of (Over)/Under Recovered Balance													
Revenue Requirement ¹	(\$2,425)	(\$2,425)	(\$2,425)	(\$2,425)	(\$2,425)	(\$2,425)	(\$2,425)	(\$2,425)	(\$2,425)	(\$2,425)	(\$2,425)	(\$2,425)	(\$29,102)
Prior Period Reconciliation Adj. ²	(337,044)												(\$337,044)
Monthly Recoveries	(3,955)	(3,541)	(3,251)	(3,387)	(3,414)	(3,843)	(23,408)	(40,925)	(33,426)	(27,702)	(27,083)	(28,202)	(\$202,139)
(Over)/Under Recovery	<u>(\$335,514)</u>	<u>\$1,116</u>	<u>\$826</u>	<u>\$962</u>	<u>\$989</u>	<u>\$1,418</u>	<u>\$20,983</u>	<u>\$38,500</u>	<u>\$31,001</u>	<u>\$25,277</u>	<u>\$24,658</u>	<u>\$25,777</u>	<u>(\$164,007)</u>
Beginning Balance - (Over)/Under Recovery	(\$337,044)	(\$335,514)	(\$334,398)	(\$333,572)	(\$332,610)	(\$331,621)	(\$330,203)	(\$309,220)	(\$270,720)	(\$239,719)	(\$214,442)	(\$189,784)	
Ending Balance (Over)/Under Recovery	<u>(\$335,514)</u>	<u>(\$334,398)</u>	<u>(\$333,572)</u>	<u>(\$332,610)</u>	<u>(\$331,621)</u>	<u>(\$330,203)</u>	<u>(\$309,220)</u>	<u>(\$270,720)</u>	<u>(\$239,719)</u>	<u>(\$214,442)</u>	<u>(\$189,784)</u>	<u>(\$164,007)</u>	
Average Balance (Over)/Under	<u>(\$336,279)</u>	<u>(\$334,956)</u>	<u>(\$333,985)</u>	<u>(\$333,091)</u>	<u>(\$332,116)</u>	<u>(\$330,912)</u>	<u>(\$319,712)</u>	<u>(\$289,970)</u>	<u>(\$255,220)</u>	<u>(\$227,081)</u>	<u>(\$202,113)</u>	<u>(\$176,896)</u>	
Average Balance (Over)/Under - Net of Tax	(\$241,751)	(\$240,800)	(\$240,102)	(\$239,459)	(\$238,758)	(\$237,893)	(\$229,841)	(\$208,460)	(\$183,477)	(\$163,248)	(\$145,299)	(\$127,170)	
Interest Rate (Annual) ³	3.10%	3.12%	3.15%	2.93%	2.91%	2.42%	2.38%	2.33%	2.07%	2.16%	2.16%	2.21%	
Interest Rate (Monthly)	0.26%	0.26%	0.26%	0.24%	0.24%	0.20%	0.20%	0.19%	0.17%	0.18%	0.18%	0.18%	
Interest (To Customer) /To Company	(\$625)	(\$626)	(\$630)	(\$585)	(\$579)	(\$480)	(\$456)	(\$405)	(\$316)	(\$294)	(\$262)	(\$234)	<u>(\$5,491)</u>
													Total (Over)/Under Collection Including Interest <u>(\$169,498)</u>

Notes: ¹ Based on WACC of 7.47% effective March 1, 2017² See Appendix B, Page 2 of 7.³ Federal Reserve Board US Treasury Securities at two year constant maturity plus 60 basis points.
Interest calculated on a net-of-tax basis.

ROCKLAND ELECTRIC COMPANY

Monthly Actual Revenue Summary by Service Classification ("SC") of the EES Program Component of the RGGI Surcharge

SC No.	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total
1	(\$1,818)	(\$1,598)	(\$1,451)	(\$1,290)	(\$1,337)	(\$1,715)	(\$12,535)	(\$21,898)	(\$16,329)	(\$11,886)	(\$10,730)	(\$12,375)	(\$94,962)
2	(1,519)	(1,302)	(1,217)	(1,514)	(1,505)	(1,479)	(6,963)	(14,433)	(12,078)	(11,235)	(11,202)	(11,280)	(75,728)
3	(1)	(1)	(0)	(1)	(1)	(1)	(4)	(6)	(5)	(3)	(4)	(5)	(32)
4	(21)	(17)	(17)	(15)	(13)	(12)	(81)	(114)	(120)	(141)	(151)	(160)	(863)
5	(51)	(47)	(40)	(31)	(26)	(29)	(174)	(356)	(271)	(216)	(238)	(326)	(1,805)
6	(17)	(14)	(13)	(13)	(13)	(12)	(52)	(94)	(108)	(119)	(134)	(132)	(721)
7	<u>(528)</u>	<u>(562)</u>	<u>(512)</u>	<u>(523)</u>	<u>(519)</u>	<u>(597)</u>	<u>(3,599)</u>	<u>(4,024)</u>	<u>(4,515)</u>	<u>(4,102)</u>	<u>(4,624)</u>	<u>(3,924)</u>	<u>(28,029)</u>
Total Excluding SUT	(\$3,955)	(\$3,541)	(\$3,251)	(\$3,387)	(\$3,414)	(\$3,843)	(\$23,408)	(\$40,925)	(\$33,426)	(\$27,702)	(\$27,083)	(\$28,202)	(\$202,139)

ROCKLAND ELECTRIC COMPANY

**EES Program Component of RGGI Surcharge
Basic Assumptions**

Amortization Period	60 Months
Equity Ratio	49.70%
Return on Equity	9.60%
Equity Component	4.77%
After-Tax WACC	7.47%
Effective Tax Rate	28.11%
Interest Expense	2.70%

* Capital Structure approved in RECO Base Rate Case ER16050428, effective March 1, 2017.

** Reflects Tax Cuts and Job Reform Act enacted in December 2017

Case ER16050428*

**Rockland Electric Company
Electric Service
Settlement Agreement
Consolidated Capital Structure**

	Ratio	Cost Rate	Weighted Average Ratio	Weighted ** Average Ratio
Long Term Debt	50.30%	5.37%	2.70%	2.70%
Common Equity	49.70%	9.60%	4.77%	6.64%
Total	<u>100%</u>		<u>7.47%</u>	<u>9.34%</u>

* Capital Structure approved in RECO Base Rate Case ER16050428, effective March 2017.

** Reflects Tax Cuts and Job Reform Act enacted in December 2017

ROCKLAND ELECTRIC COMPANY

EES Program Component of RGGI Surcharge
2019 Revenue Requirement
Revenue Requirement For Use in Calculation of (Over)/Under Collection

	<u>Jan-19</u> <u>Actual</u>	<u>Feb-19</u> <u>Actual</u>	<u>Mar-19</u> <u>Actual</u>	<u>Apr-19</u> <u>Actual</u>	<u>May-19</u> <u>Actual</u>	<u>Jun-19</u> <u>Actual</u>	<u>Jul-19</u> <u>Actual</u>	<u>Aug-19</u> <u>Actual</u>	<u>Sep-19</u> <u>Actual</u>	<u>Oct-19</u> <u>Actual</u>	<u>Nov-19</u> <u>Actual</u>	<u>Dec-19</u> <u>Actual</u>
1. Program Spending	0	0	0	0	0	0	0	0	0	0	0	0
2. Cumulative Spending	759,983	759,983	759,983	759,983	759,983	759,983	759,983	759,983	759,983	759,983	759,983	759,983
3.												
4.												
5. Gross Expenditures	759,983	759,983	759,983	759,983	759,983	759,983	759,983	759,983	759,983	759,983	759,983	759,983
6. Accumulated Amortization	<u>759,983</u>	<u>759,983</u>	<u>759,983</u>	<u>759,983</u>	<u>759,983</u>	<u>759,983</u>	<u>759,983</u>	<u>759,983</u>	<u>759,983</u>	<u>759,983</u>	<u>759,983</u>	<u>759,983</u>
7. Net Expenditures	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8. Accumulated Deferred Tax	<u>311,652</u>	<u>311,652</u>	<u>311,652</u>	<u>311,652</u>	<u>311,652</u>	<u>311,652</u>	<u>311,652</u>	<u>311,652</u>	<u>311,652</u>	<u>311,652</u>	<u>311,652</u>	<u>311,652</u>
9. Under/(Over) Recovery Balance	(311,653)	(311,653)	(311,653)	(311,653)	(311,653)	(311,653)	(311,653)	(311,653)	(311,653)	(311,653)	(311,653)	(311,653)
10.												
11. Return Requirement	(1,941)	(1,941)	(1,941)	(1,941)	(1,941)	(1,941)	(1,941)	(1,941)	(1,941)	(1,941)	(1,941)	(1,941)
12. Equity Portion	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)
13.												
14.												
15. Revenue	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)
16.												
17. Expenses:												
18. Amortization	0	0	0	0	0	0	0	0	0	0	0	0
19. Administrative Costs												
20. Interest Expense	(702)	(702)	(702)	(702)	(702)	(702)	(702)	(702)	(702)	(702)	(702)	(702)
21. Deferred Expenses	0	0	0	0	0	0	0	0	0	0	0	0
22. Taxable Income	(1,724)	(1,724)	(1,724)	(1,724)	(1,724)	(1,724)	(1,724)	(1,724)	(1,724)	(1,724)	(1,724)	(1,724)
23. Federal and State Taxes	<u>(485)</u>	<u>(485)</u>	<u>(485)</u>	<u>(485)</u>	<u>(485)</u>	<u>(485)</u>	<u>(485)</u>	<u>(485)</u>	<u>(485)</u>	<u>(485)</u>	<u>(485)</u>	<u>(485)</u>
24. Net Income	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)	(1,239)
25.												
26.												
27. Deferred Cost Recovery (from 15 above)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)
28. O&M	0	0	0	0	0	0	0	0	0	0	0	0
29. Total Revenue Requirement	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)	(2,425)
									12 Month Total			(29,102)

ROCKLAND ELECTRIC COMPANY

Determination of Regional Greenhouse Gas Initiative ("RGGI") Surcharge - Low Income Audit II Program

Determination of Low Income Audit II Program Reconciliation Adjustment Component of RGGI Surcharge

Low Income Audit II Program Recoveries (January 1, 2019 - December 31, 2019)	(\$70,475)
Low Income Audit II Program Revenue Requirement	41,929
Prior Period Reconciliation (Over)/Under Recovery - See Page 2	<u>64,249</u>
Low Income Audit II Program (Over)/Under Recovery Balance	176,653
Interest (Over)/Under Recovery Balance	<u>2,269</u>
Total Low Income Audit II Program (Over)/Under Recovery Balance for 12 ME 12/31/2019	178,921
Projected Sales (kWh) 12 months ending May 31, 2021	1,468,978,000
\$ per kWh Reconciliation to be (Refunded)/Surcharged	\$0.000122
Sales and Use Tax ("SUT")	1.06625
Low Income Audit II Program Reconciliation Adjustment	\$0.000130

Determination of Forecast Low Income Audit II Program Component of RGGI Surcharge

Revenue Requirement for 12 Months Ending December 31, 2020	\$38,700
Projected Sales (kWh) 12 months ending May 31, 2021	1,468,978,000
\$ per kWh Projected Spending to be (Refunded)/Surcharged	\$0.000026
Sales and Use Tax ("SUT")	1.06625
Low Income Audit II Program Charge	\$0.000028

RGGI Surcharge

Proposed Low Income Audit II Program Component of RGGI Surcharge Excluding SUT (\$ per kWh)	\$0.000148
Proposed Low Income Audit II Program Component of RGGI Surcharge Including SUT (\$ per kWh)	\$0.000158

ROCKLAND ELECTRIC COMPANY

Calculation of Over/Under Recovery Associated with Low Income Audit II Program Component of RGGI Surcharge

	<u>Jan-18</u> Actual	<u>Feb-18</u> Actual	<u>Mar-18</u> Actual	<u>Apr-18</u> Actual	<u>May-18</u> Actual	<u>Jun-18</u> Actual	<u>Jul-18</u> Actual	<u>Aug-18</u> Actual	<u>Sep-18</u> Actual	<u>Oct-18</u> Actual	<u>Nov-18</u> Actual	<u>Dec-18</u> Actual	<u>Total</u>
1. Determination of (Over)/Under Recovered Balance													
Revenue Requirement ¹	\$3,806	\$3,788	\$3,770	\$3,752	\$3,735	\$3,717	\$3,699	\$3,681	\$3,663	\$3,646	\$3,628	\$3,610	\$44,495
Prior Period Reconciliation Adj. ²	(83,963)												(\$83,963)
Monthly Recoveries	(5,460)	(8,563)	(7,527)	(7,416)	(7,455)	(9,267)	(11,183)	(11,418)	(10,842)	(8,231)	(8,135)	(8,403)	(\$103,901)
(Over)/Under Recovery	<u>(\$74,697)</u>	<u>\$12,351</u>	<u>\$11,298</u>	<u>\$11,169</u>	<u>\$11,189</u>	<u>\$12,984</u>	<u>\$14,882</u>	<u>\$15,099</u>	<u>\$14,505</u>	<u>\$11,877</u>	<u>\$11,763</u>	<u>\$12,012</u>	<u>\$64,433</u>
Beginning Balance - (Over)/Under Recovery	(\$83,963)	(\$74,697)	(\$62,346)	(\$51,048)	(\$39,879)	(\$28,690)	(\$15,706)	(\$824)	\$14,275	\$28,781	\$40,658	\$52,421	
Ending Balance (Over)/Under Recovery	<u>(\$74,697)</u>	<u>(\$62,346)</u>	<u>(\$51,048)</u>	<u>(\$39,879)</u>	<u>(\$28,690)</u>	<u>(\$15,706)</u>	<u>(\$824)</u>	<u>\$14,275</u>	<u>\$28,781</u>	<u>\$40,658</u>	<u>\$52,421</u>	<u>\$64,433</u>	
Average Balance (Over)/Under	(\$79,330)	(\$68,521)	(\$56,697)	(\$45,464)	(\$34,284)	(\$22,198)	(\$8,265)	\$6,726	\$21,528	\$34,719	\$46,539	\$58,427	
Average Balance (Over)/Under - Net of Tax	(\$57,030)	(\$49,260)	(\$40,759)	(\$32,684)	(\$24,647)	(\$15,958)	(\$5,942)	\$4,835	\$15,477	\$24,960	\$33,457	\$42,003	
Interest Rate (Annual) ³	2.52%	2.76%	2.82%	2.85%	3.10%	3.07%	3.17%	3.27%	3.26%	3.42%	3.44%	3.43%	
Interest Rate (Monthly)	0.21%	0.23%	0.24%	0.24%	0.26%	0.26%	0.26%	0.27%	0.27%	0.29%	0.29%	0.29%	
Interest (To Customer) /To Company	(\$120)	(\$113)	(\$96)	(\$78)	(\$64)	(\$41)	(\$16)	\$13	\$42	\$71	\$96	\$120	(\$184)
													Total (Over)/Under Collection Including Interest
													<u>\$64,249</u>

Notes: ¹ Based on WACC of 7.47% effective March 1, 2017

² Prior period reconciliation adjustment is equal to the ending balance as shown on Exhibit C page 2 of 10, of the stipulation of settlement dated May 21, 2019 (as approved by the Board in its June 12, 2019 Order approving stipulation in BPU Docket Nos. ER18020109 and ER18020131)

³ Federal Reserve Board US Treasury Securities at two year constant maturity plus 60 basis points. Interest calculated on a net-of-tax basis.

ROCKLAND ELECTRIC COMPANY

Calculation of Over/Under Recovery Associated with Low Income Audit II Program Component of RGGI Surcharge

	<u>Jan-19</u> Actual	<u>Feb-19</u> Actual	<u>Mar-19</u> Actual	<u>Apr-19</u> Actual	<u>May-19</u> Actual	<u>Jun-19</u> Actual	<u>Jul-19</u> Actual	<u>Aug-19</u> Actual	<u>Sep-19</u> Actual	<u>Oct-19</u> Actual	<u>Nov-19</u> Actual	<u>Dec-19</u> Actual	<u>Total</u>
1. Determination of (Over)/Under Recovered Balance													
Revenue Requirement ¹	\$3,592	\$3,574	\$3,556	\$3,539	\$3,521	\$3,503	\$3,485	\$3,467	\$3,449	\$3,432	\$3,414	\$3,396	\$41,929
Prior Period Reconciliation Adj. ²	64,249												\$64,249
Monthly Recoveries	(8,548)	(7,654)	(7,027)	(7,320)	(7,379)	(8,306)	(7,574)	(4,335)	(3,541)	(2,935)	(2,869)	(2,988)	(\$70,475)
(Over)/Under Recovery	<u>\$76,389</u>	<u>\$11,228</u>	<u>\$10,584</u>	<u>\$10,859</u>	<u>\$10,900</u>	<u>\$11,809</u>	<u>\$11,059</u>	<u>\$7,803</u>	<u>\$6,990</u>	<u>\$6,366</u>	<u>\$6,283</u>	<u>\$6,384</u>	<u>\$176,653</u>
Beginning Balance - (Over)/Under Recovery	\$64,249	\$76,389	\$87,617	\$98,201	\$109,059	\$119,959	\$131,768	\$142,827	\$150,630	\$157,620	\$163,986	\$170,269	\$170,269
Ending Balance (Over)/Under Recovery	<u>\$76,389</u>	<u>\$87,617</u>	<u>\$98,201</u>	<u>\$109,059</u>	<u>\$119,959</u>	<u>\$131,768</u>	<u>\$142,827</u>	<u>\$150,630</u>	<u>\$157,620</u>	<u>\$163,986</u>	<u>\$170,269</u>	<u>\$176,653</u>	<u>\$176,653</u>
Average Balance (Over)/Under	\$70,319	\$82,003	\$92,909	\$103,630	\$114,509	\$125,863	\$137,298	\$146,728	\$154,125	\$160,803	\$167,128	\$173,461	\$173,461
Average Balance (Over)/Under - Net of Tax	\$50,552	\$58,952	\$66,792	\$74,499	\$82,320	\$90,483	\$98,703	\$105,483	\$110,800	\$115,601	\$120,148	\$124,701	\$124,701
Interest Rate (Annual) ³	3.10%	3.12%	3.15%	2.93%	2.91%	2.42%	2.38%	2.33%	2.07%	2.16%	2.16%	2.21%	2.21%
Interest Rate (Monthly)	0.26%	0.26%	0.26%	0.24%	0.24%	0.20%	0.20%	0.19%	0.17%	0.18%	0.18%	0.18%	0.18%
Interest (To Customer) /To Company	\$131	\$153	\$175	\$182	\$200	\$182	\$196	\$205	\$191	\$208	\$216	\$230	<u>\$2,269</u>
													Total (Over)/Under Collection Including Interest
													<u>\$178,921</u>

Notes: ¹ Based on WACC of 7.47% effective March 1, 2017

² See Appendix C, page 2 of 8

³ Federal Reserve Board US Treasury Securities at two year constant maturity plus 60 basis points.
Interest calculated on a net-of-tax basis.

ROCKLAND ELECTRIC COMPANY

Monthly Actual Revenue Summary by Service Classification ("SC") of the Low Income Audit II Component of the RGI Surcharge

SC No.	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total
1	(\$3,929)	(\$3,455)	(\$3,136)	(\$2,787)	(\$2,889)	(\$3,707)	(\$4,056)	(\$2,320)	(\$1,730)	(\$1,259)	(\$1,137)	(\$1,311)	(\$31,715)
2	(3,284)	(2,813)	(2,631)	(3,273)	(3,253)	(3,196)	(2,253)	(1,529)	(1,279)	(1,190)	(1,187)	(1,195)	(27,082)
3	(2)	(1)	(1)	(3)	(2)	(1)	(1)	(1)	(1)	(0)	(0)	(1)	(14)
4	(45)	(38)	(37)	(31)	(29)	(26)	(26)	(12)	(13)	(15)	(16)	(17)	(305)
5	(110)	(102)	(87)	(68)	(56)	(62)	(56)	(38)	(29)	(23)	(25)	(34)	(690)
6	(37)	(31)	(29)	(27)	(28)	(25)	(17)	(10)	(11)	(13)	(14)	(14)	(256)
7	<u>(1,141)</u>	<u>(1,214)</u>	<u>(1,107)</u>	<u>(1,130)</u>	<u>(1,122)</u>	<u>(1,290)</u>	<u>(1,164)</u>	<u>(426)</u>	<u>(478)</u>	<u>(435)</u>	<u>(490)</u>	<u>(416)</u>	<u>(10,413)</u>
Total Excluding SUT	(\$8,548)	(\$7,654)	(\$7,027)	(\$7,320)	(\$7,379)	(\$8,306)	(\$7,574)	(\$4,335)	(\$3,541)	(\$2,935)	(\$2,869)	(\$2,988)	(\$70,475)

ROCKLAND ELECTRIC COMPANY

**Low Income Audit II Program Component of RGGI Surcharge
Basic Assumptions**

Determination of Low Income Audit II Program Reconciliation Adjustment Component of RGGI Surcharge

Effective Jan 1, 2018**

Amortization Period	60 Months
Equity Ratio	49.70%
Return on Equity	9.60%
Equity Component	4.77%
After-Tax WACC	7.47%
Effective Tax Rate	28.11%
Interest Expense	2.70%

* Capital Structure approved in RECO Base Rate Case ER16050428, effective March 1, 2017.

** Reflects Tax Cuts and Job Reform Act enacted in December 2017

Case ER16050428*

**Rockland Electric Company
Electric Service
Settlement Agreement
Consolidated Capital Structure**

	<u>Ratio</u>	<u>Cost Rate</u>	<u>Weighted Average Ratio</u>	<u>Weighted ** Average Ratio</u>
Long Term Debt	50.30%	5.37%	2.70%	2.70%
Common Equity	49.70%	9.60%	4.77%	6.64%
Total	<u>100%</u>		<u>7.47%</u>	<u>9.34%</u>

* Capital Structure approved in RECO Base Rate Case ER16050428, effective March 2017.

** Reflects Tax Cuts and Job Reform Act enacted in December 2017

ROCKLAND ELECTRIC COMPANY

**Low Income Audit II Program Component of RGGI Surcharge
2020 Projection of Revenue Requirement
Revenue Requirement For Use in Calculation of (Over)/Under Collection**

	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
1. Program Spending	0	0	0	0	0	0	0	0	0	0	0	0
2. Cumulative Spending	191,165	191,165	191,165	191,165	191,165	191,165	191,165	191,165	191,165	191,165	191,165	191,165
3.												
4.												
5. Gross Expenditures	191,165	191,165	191,165	191,165	191,165	191,165	191,165	191,165	191,165	191,165	191,165	191,165
6. Accumulated Amortization	<u>132,275</u>	<u>135,461</u>	<u>138,647</u>	<u>141,833</u>	<u>145,019</u>	<u>148,205</u>	<u>151,391</u>	<u>154,577</u>	<u>157,765</u>	<u>160,759</u>	<u>163,844</u>	<u>166,653</u>
7. Net Expenditures	58,891	55,705	52,519	49,333	46,146	42,960	39,774	36,588	33,491	30,406	27,322	24,513
8. Accumulated Deferred Tax	<u>34,205</u>	<u>33,309</u>	<u>32,413</u>	<u>31,518</u>	<u>30,622</u>	<u>29,727</u>	<u>28,831</u>	<u>27,935</u>	<u>27,065</u>	<u>26,198</u>	<u>25,330</u>	<u>24,541</u>
9. Under/(Over) Recovery Balance	24,686	22,396	20,105	17,815	15,524	13,234	10,943	8,653	6,426	4,209	1,991	(28)
10.												
11. Return Requirement	154	139	125	111	97	82	68	54	40	26	12	(0)
12. Equity Portion	98	89	80	71	62	53	44	34	26	17	8	(0)
13.												
14.												
15. Revenue	3,378	3,360	3,343	3,325	3,307	3,289	3,271	3,253	3,147	3,117	3,100	2,809
16.												
17. Expenses:												
18. Amortization	3,186	3,186	3,186	3,186	3,186	3,186	3,186	3,186	3,097	3,085	3,085	2,809
19. Administrative Costs												
20. Interest Expense	56	50	45	40	35	30	25	19	14	9	4	(0)
21. Deferred Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
22. Taxable Income	137	124	111	99	86	73	61	48	36	23	11	(0)
23. Federal and State Taxes	38	35	31	28	24	21	17	13	10	7	3	(0)
24. Net Income	98	89	80	71	62	53	44	34	26	17	8	(0)
25.												
26.												
27. Deferred Cost Recovery (from 15 above)	3,378	3,360	3,343	3,325	3,307	3,289	3,271	3,253	3,147	3,117	3,100	2,809
28. O&M	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
29. Total Revenue Requirement	3,378	3,360	3,343	3,325	3,307	3,289	3,271	3,253	3,147	3,117	3,100	2,809
									12 Month Total			38,700

ROCKLAND ELECTRIC COMPANY

Determination of Regional Greenhouse Gas Initiative ("RGGI") Surcharge - Low Income Audit III Program

Determination of Low Income Audit III Program Reconciliation Adjustment Component of RGGI Surcharge

Low Income Audit III Program Recoveries (January 1, 2019 - December 31, 2019)	\$88,473
Low Income Audit III Program Revenue Requirement	6,763
Prior Period Reconciliation (Over)/Under Recovery - See Page 2	<u>(58,374)</u>
Low Income Audit III Program (Over)/Under Recovery Balance	(140,084)
Interest (Over)/Under Recovery Balance	<u>(1,765)</u>
Total Low Income Audit III Program (Over)/Under Recovery Balance for 12 ME 12/31/2019	(141,849)
Projected Sales (kWh) 12 months ending May 31, 2021	1,468,978,000
\$ per kWh Reconciliation to be (Refunded)/Surcharged	(\$0.000097)
Sales and Use Tax ("SUT")	1.06625
Low Income Audit III Program Reconciliation Adjustment	(\$0.000103)

Determination of Forecast Low Income Audit III Program Component of RGGI Surcharge

Revenue Requirement for 12 Months Ending December 31, 2020	\$25,678
Projected Sales (kWh) 12 months ending May 31, 2021	1,468,978,000
\$ per kWh Projected Spending to be (Refunded)/Surcharged	\$0.000017
Sales and Use Tax ("SUT")	1.06625
Low Income Audit III Program Charge	\$0.000018

RGGI Surcharge

Proposed Low Income Audit III Program Component of RGGI Surcharge Excluding SUT (\$ per kWh)	(\$0.000080)
Proposed Low Income Audit III Program Component of RGGI Surcharge Including SUT (\$ per kWh)	(\$0.000085)

ROCKLAND ELECTRIC COMPANY

Calculation of Over/Under Recovery Associated with Low Income Audit III Program Component of RGGI Surcharge

	Jan-18 Actual	Feb-18 Actual	Mar-18 Actual	Apr-18 Actual	May-18 Actual	Jun-18 Actual	Jul-18 Actual	Aug-18 Actual	Sep-18 Actual	Oct-18 Actual	Nov-18 Actual	Dec-18 Actual	Total
1. Determination of (Over)/Under Recovered Balance													
Revenue Requirement ¹	\$0	\$0	\$0	\$0	\$0	\$833	\$1,743	\$984	\$0	\$0	\$0	\$0	\$3,560
Prior Period Reconciliation Adj. ²	0												0
Monthly Recoveries	0	0	0	0	3,080	8,022	9,681	9,884	9,386	7,125	7,043	7,274	61,494
(Over)/Under Recovery	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$3,080)</u>	<u>(\$7,189)</u>	<u>(\$7,938)</u>	<u>(\$8,900)</u>	<u>(\$9,386)</u>	<u>(\$7,125)</u>	<u>(\$7,043)</u>	<u>(\$7,274)</u>	<u>(\$57,935)</u>
Beginning Balance - (Over)/Under Recovery	\$0	\$0	\$0	\$0	\$0	(\$3,080)	(\$10,269)	(\$18,207)	(\$27,107)	(\$36,493)	(\$43,618)	(\$50,661)	
Ending Balance (Over)/Under Recovery	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$3,080)</u>	<u>(\$10,269)</u>	<u>(\$18,207)</u>	<u>(\$27,107)</u>	<u>(\$36,493)</u>	<u>(\$43,618)</u>	<u>(\$50,661)</u>	<u>(\$57,935)</u>	
Average Balance (Over)/Under	\$0	\$0	\$0	\$0	(\$1,540)	(\$6,674)	(\$14,238)	(\$22,657)	(\$31,800)	(\$40,056)	(\$47,140)	(\$54,298)	
Average Balance (Over)/Under - Net of Tax	\$0	\$0	\$0	\$0	(\$1,107)	(\$4,798)	(\$10,236)	(\$16,288)	(\$22,861)	(\$28,796)	(\$33,889)	(\$39,035)	
Interest Rate (Annual) ³	2.52%	2.76%	2.82%	2.85%	3.10%	3.07%	3.17%	3.27%	3.26%	3.42%	3.44%	3.43%	
Interest Rate (Monthly)	0.21%	0.23%	0.24%	0.24%	0.26%	0.26%	0.26%	0.27%	0.27%	0.29%	0.29%	0.29%	
Interest (To Customer) /To Company	\$0	\$0	\$0	\$0	(\$3)	(\$12)	(\$27)	(\$44)	(\$62)	(\$82)	(\$97)	(\$112)	<u>(\$439)</u>
													Total (Over)/Under Collection Including Interest
													<u>(\$58,374)</u>

Notes: ¹ Based on a WACC of 7.47% effective March 1, 2017

² Program cost recovery did not commence until May 2018.

³ Federal Reserve Board US Treasury Securities at two year constant maturity plus 60 basis points.
Interest calculated on a net-of-tax basis.

ROCKLAND ELECTRIC COMPANY

Calculation of Over/Under Recovery Associated with Low Income Audit III Program Component of RGGI Surcharge

	Jan-19 Actual	Feb-19 Actual	Mar-19 Actual	Apr-19 Actual	May-19 Actual	Jun-19 Actual	Jul-19 Actual	Aug-19 Actual	Sep-19 Actual	Oct-19 Actual	Nov-19 Actual	Dec-19 Actual	Total
1. Determination of (Over)/Under Recovered Balance													
Revenue Requirement ¹	\$0	\$157	\$185	\$2,320	\$989	\$0	\$0	\$122	\$182	\$243	\$302	\$2,263	\$6,763
Prior Period Reconciliation Adj. ²	(58,374)												(58,374)
Monthly Recoveries	7,400	6,626	6,083	6,337	6,388	7,191	9,781	10,058	8,215	6,808	6,656	6,931	88,473
(Over)/Under Recovery	<u>(\$65,774)</u>	<u>(\$6,469)</u>	<u>(\$5,898)</u>	<u>(\$4,017)</u>	<u>(\$5,399)</u>	<u>(\$7,191)</u>	<u>(\$9,781)</u>	<u>(\$9,936)</u>	<u>(\$8,033)</u>	<u>(\$6,565)</u>	<u>(\$6,354)</u>	<u>(\$4,668)</u>	<u>(\$140,084)</u>
Beginning Balance - (Over)/Under Recovery	(\$58,374)	(\$65,774)	(\$72,243)	(\$78,141)	(\$82,158)	(\$87,556)	(\$94,747)	(\$104,528)	(\$114,464)	(\$122,496)	(\$129,062)	(\$135,415)	(\$135,415)
Ending Balance (Over)/Under Recovery	<u>(\$65,774)</u>	<u>(\$72,243)</u>	<u>(\$78,141)</u>	<u>(\$82,158)</u>	<u>(\$87,556)</u>	<u>(\$94,747)</u>	<u>(\$104,528)</u>	<u>(\$114,464)</u>	<u>(\$122,496)</u>	<u>(\$129,062)</u>	<u>(\$135,415)</u>	<u>(\$140,084)</u>	<u>(\$140,084)</u>
Average Balance (Over)/Under	(\$62,074)	(\$69,008)	(\$75,192)	(\$80,149)	(\$84,857)	(\$91,152)	(\$99,637)	(\$109,496)	(\$118,480)	(\$125,779)	(\$132,238)	(\$137,749)	(\$137,749)
Average Balance (Over)/Under - Net of Tax	(\$44,625)	(\$49,610)	(\$54,055)	(\$57,619)	(\$61,004)	(\$65,529)	(\$71,629)	(\$78,716)	(\$85,175)	(\$90,422)	(\$95,066)	(\$99,028)	(\$99,028)
Interest Rate (Annual) ³	3.10%	3.12%	3.15%	2.93%	2.91%	2.42%	2.38%	2.33%	2.07%	2.16%	2.16%	2.21%	2.21%
Interest Rate (Monthly)	0.26%	0.26%	0.26%	0.24%	0.24%	0.20%	0.20%	0.19%	0.17%	0.18%	0.18%	0.18%	0.18%
Interest (To Customer) /To Company	(\$115)	(\$129)	(\$142)	(\$141)	(\$148)	(\$132)	(\$142)	(\$153)	(\$147)	(\$163)	(\$171)	(\$182)	<u>(\$1,765)</u>
													Total (Over)/Under Collection Including Interest
													<u>(\$141,849)</u>

Notes: ¹ Based on a WACC of 7.47% effective March 1, 2017

² See Appendix D, Page 2 of 9

³ Federal Reserve Board US Treasury Securities at two year constant maturity plus 60 basis points.
Interest calculated on a net-of-tax basis.

ROCKLAND ELECTRIC COMPANY**Monthly Actual Revenue Summary by Service Classification ("SC") of the Low Income Audit III Component of the RGGI Surcharge**

<u>SC No.</u>	<u>Jan-19</u>	<u>Feb-19</u>	<u>Mar-19</u>	<u>Apr-19</u>	<u>May-19</u>	<u>Jun-19</u>	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Total</u>
1	\$3,402	\$2,991	\$2,715	\$2,413	\$2,501	\$3,209	\$5,238	\$5,382	\$4,013	\$2,921	\$2,637	\$3,041	\$40,462
2	2,842	2,435	2,277	2,833	2,816	2,766	2,909	3,547	2,968	2,761	2,753	2,772	33,682
3	1	1	1	2	2	1	2	1	1	1	1	1	16
4	39	33	32	27	25	23	34	28	30	35	37	39	381
5	96	88	75	59	48	54	73	88	67	53	59	80	838
6	32	27	25	24	24	22	22	23	26	29	33	33	319
7	<u>988</u>	<u>1,051</u>	<u>958</u>	<u>979</u>	<u>971</u>	<u>1,117</u>	<u>1,504</u>	<u>989</u>	<u>1,110</u>	<u>1,008</u>	<u>1,136</u>	<u>964</u>	<u>12,775</u>
Total Excluding SUT	\$7,400	\$6,626	\$6,083	\$6,337	\$6,388	\$7,191	\$9,781	\$10,058	\$8,215	\$6,808	\$6,656	\$6,931	\$88,473

ROCKLAND ELECTRIC COMPANY

**Low Income Audit III Program Component of RGGI Surcharge
Basic Assumptions**

Determination of Low Income Audit III Program Reconciliation Adjustment Component of RGGI Surcharge

Effective Jan 1, 2018**

Amortization Period	60 Months
Equity Ratio	49.70%
Return on Equity	9.60%
Equity Component	4.77%
After-Tax WACC	7.47%
Effective Tax Rate	28.11%
Interest Expense	2.70%

* Capital Structure approved in RECO Base Rate Case ER16050428, effective March 1, 2017.

** Reflects Tax Cuts and Job Reform Act enacted in December 2017

ROCKLAND ELECTRIC COMPANY

**Low Income Audit III Program Component of the RGGI Surcharge
Program Spending**

	<u>Jan-19</u> <u>Actual</u>	<u>Feb-19</u> <u>Actual</u>	<u>Mar-19</u> <u>Actual</u>	<u>Apr-19</u> <u>Actual</u>	<u>May-19</u> <u>Actual</u>	<u>Jun-19</u> <u>Actual</u>	<u>Jul-19</u> <u>Actual</u>	<u>Aug-19</u> <u>Actual</u>	<u>Sep-19</u> <u>Actual</u>	<u>Oct-19</u> <u>Actual</u>	<u>Nov-19</u> <u>Actual</u>	<u>Dec-19</u> <u>Actual</u>	<u>Total</u>
Program Implementation Spending	0	0	0	0	0	0	0	5,500	2,750	2,750	2,750	2,750	\$16,500
Program Incentive (Customer)	0	0	0	0	0	0	0	0	0	0	0	4,532	4,532
Total Implementation and Incentive Spending	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,500	\$2,750	\$2,750	\$2,750	\$7,282	\$21,032
Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,800	\$1,800
Marketing	0	157	185	2,320	989	0	0	0	0	0	0	0	3,651
Evaluation	0	0	0	0	0	0	0	0	0	0	0	0	0
Total O&M Spending	\$0	\$157	\$185	\$2,320	\$989	\$0	\$0	\$0	\$0	\$0	\$0	\$1,800	\$5,451
Total Spending	\$0	\$157	\$185	\$2,320	\$989	\$0	\$0	\$5,500	\$2,750	\$2,750	\$2,750	\$9,082	\$26,483

Case ER16050428*

**Rockland Electric Company
Electric Service
Settlement Agreement
Consolidated Capital Structure**

	<u>Ratio</u>	<u>Cost Rate</u>	<u>Weighted Average Ratio</u>	<u>Weighted ** Average Ratio</u>
Long Term Debt	50.30%	5.37%	2.70%	2.70%
Common Equity	49.70%	9.60%	4.77%	6.64%
Total	<u>100%</u>		<u>7.47%</u>	<u>9.34%</u>

* Capital Structure approved in RECO Base Rate Case ER16050428, effective March 2017.

** Reflects Tax Cuts and Job Reform Act enacted in December 2017

ROCKLAND ELECTRIC COMPANY

**Low Income Audit III Program Component of RGGI Surcharge
2020 Projection of Revenue Requirement
Revenue Requirement For Use in Calculation of (Over)/Under Collection**

	<u>Jan-20</u> <u>Actual</u>	<u>Feb-20</u> <u>Actual</u>	<u>Mar-20</u> <u>Actual</u>	<u>Apr-20</u> <u>Actual</u>	<u>May-20</u> <u>Actual</u>	<u>Jun-20</u> <u>Actual</u>	<u>Jul-20</u> <u>Actual</u>	<u>Aug-20</u> <u>Actual</u>	<u>Sep-20</u> <u>Actual</u>	<u>Oct-20</u> <u>Actual</u>	<u>Nov-20</u> <u>Estimate</u>	<u>Dec-20</u> <u>Estimate</u>
1. Program Spending	7,282	11,586	20,238	0	0	5,500	0	24,079	10,109	0	37,750	32,750
2. Cumulative Spending	28,314	39,899	60,138	60,138	60,138	65,638	65,638	89,717	99,826	99,826	137,576	170,326
3.												
4.												
5. Gross Expenditures	28,314	39,899	60,138	60,138	60,138	65,638	65,638	89,717	99,826	99,826	137,576	170,326
6. Accumulated Amortization	<u>1,464</u>	<u>2,129</u>	<u>3,131</u>	<u>4,134</u>	<u>5,136</u>	<u>6,230</u>	<u>7,324</u>	<u>8,819</u>	<u>10,483</u>	<u>12,147</u>	<u>14,440</u>	<u>17,278</u>
7. Net Expenditures	26,849	37,770	57,006	56,004	55,002	59,408	58,314	80,898	89,343	87,679	123,136	153,048
8. Accumulated Deferred Tax	<u>7,547</u>	<u>10,617</u>	<u>16,024</u>	<u>15,743</u>	<u>15,461</u>	<u>16,700</u>	<u>16,392</u>	<u>22,740</u>	<u>25,114</u>	<u>24,647</u>	<u>34,614</u>	<u>43,022</u>
9. Under/(Over) Recovery Balance	19,302	27,153	40,982	40,261	39,541	42,708	41,922	58,157	64,229	63,033	88,523	110,026
10.												
11. Return Requirement	120	169	255	251	246	266	261	362	400	392	551	685
12. Equity Portion	77	108	163	160	157	170	167	231	255	251	352	437
13.												
14.												
15. Revenue	622	876	1,321	1,316	1,310	1,426	1,420	1,948	2,164	2,154	2,982	3,695
16.												
17. Expenses:												
18. Amortization	472	665	1,002	1,002	1,002	1,094	1,094	1,495	1,664	1,664	2,293	2,839
19. Administrative Costs												
20. Interest Expense	43	61	92	91	89	96	94	131	145	142	199	248
21. Deferred Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
22. Taxable Income	107	150	227	223	219	236	232	322	355	349	490	609
23. Federal and State Taxes	30	42	64	63	61	66	65	90	100	98	138	171
24. Net Income	77	108	163	160	157	170	167	231	255	251	352	437
25.												
26.												
27. Deferred Cost Recovery (from 15 above)	622	876	1,321	1,316	1,310	1,426	1,420	1,948	2,164	2,154	2,982	3,695
28. O&M	<u>0</u>	<u>400</u>	<u>144</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,950</u>	<u>1,950</u>
29. Total Revenue Requirement	622	1,276	1,465	1,316	1,310	1,426	1,420	1,948	2,164	2,154	4,932	5,645
											12 Month Total	25,678

ROCKLAND ELECTRIC COMPANY

2020 SREC Program Component of RGGI Surcharge

SREC Program Costs

Actual Jan through Oct 2020; Projected Nov through Dec 2020	\$908,590
SREC Program Costs 2017 - 2019	2,301,169
Interest on SREC Program Costs 2017 - 2019	72,071
Recoveries	<u>(2,094,758)</u>
Total	\$1,187,072

SREC Program Costs 2009 - 2016

See Note A	\$4,205,585
Recoveries February 2018 through March 2020	<u>(4,205,585)</u>
(Over)/Under Recovery Balance	\$0

SREC Rate Development

SREC Program Component of RGGI Surcharge	\$1,187,072
Projected Sales (kWh) for 12-months ended May 2021	1,468,978,000
\$ per kWh Reconciliation to be (Refunded)/Surcharged	\$0.000808
Sales and Use Tax ("SUT")	1.06625
SREC Program Surcharge	\$0.000862

Note A

Shown separately per the Order Approving Stipulation (Docket No. ER17040429, 1/31/2018): "On February 1 of each year, the Company shall file with the Board a reconciliation of the SREC Program component of the RGGI Surcharge. As set forth in Exhibits A and B of the Stipulation, the accumulated SREC Program costs without interest through December 31, 2016 of \$4,205,585, will be amortized over three years so that the subsequent filings made on February 1, 2018 and February 1, 2019, will each include the remaining one-third of the accumulated SREC Program costs..."

ROCKLAND ELECTRIC COMPANY

**Calculation of Over/Under Recovery Associated with SREC Program Component of RGGI Surcharge
Calendar Year 2018**

	<u>Jan-18</u> Actual	<u>Feb-18</u> Actual	<u>Mar-18</u> Actual	<u>Apr-18</u> Actual	<u>May-18</u> Actual	<u>Jun-18</u> Actual	<u>Jul-18</u> Actual	<u>Aug-18</u> Actual	<u>Sep-18</u> Actual	<u>Oct-18</u> Actual	<u>Nov-18</u> Actual	<u>Dec-18</u> Actual	<u>Total</u>
Total Net Cost of SRECs ¹	\$0	\$0	\$385,272	\$0	\$0	\$0	\$0	\$0	\$0	\$392,490	\$0	\$0	\$777,762
Admin & Program Development	0	1,613	0	2,767	0	0	0	3,958	0	0	6,798	500	15,636
Marketing & Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Contracted Processes, Insp & Other QC	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	1,613	0	2,767	0	0	0	3,958	0	0	6,798	500	15,636
Total Required Costs	0	1,613	385,272	2,767	0	0	0	3,958	0	392,490	6,798	500	793,398
Actual Recoveries (excl SUT)	0	0	0	0	0	0	0	0	0	0	0	0	0
(Over)/Under Recovery	0	1,613	385,272	2,767	0	0	0	3,958	0	392,490	6,798	500	793,398
Beginning Balance - (Over)/Under Recovery ²	903,071	903,071	904,684	1,289,956	1,292,723	1,292,723	1,292,723	1,292,723	1,296,682	1,296,682	1,689,172	1,695,970	1,695,970
Ending Balance (Over)/Under Recovery	903,071	904,684	1,289,956	1,292,723	1,292,723	1,292,723	1,292,723	1,296,682	1,296,682	1,689,172	1,695,970	1,696,470	1,696,470
Average Balance (Over)/Under	903,071	903,878	1,097,320	1,291,340	1,292,723	1,292,723	1,292,723	1,294,702	1,296,682	1,492,927	1,692,571	1,696,220	1,696,220
Average Balance (Over)/Under - Net of Tax	649,218	649,798	788,864	928,344	929,339	929,339	929,339	930,762	932,184	1,073,265	1,216,789	1,219,412	1,219,412
Interest Rate (Annual)	2.52%	2.76%	2.82%	2.85%	3.10%	3.07%	3.17%	3.27%	3.26%	3.42%	3.44%	3.43%	3.43%
Interest Rate (Monthly)	0.21%	0.23%	0.24%	0.24%	0.26%	0.26%	0.26%	0.27%	0.27%	0.29%	0.29%	0.29%	0.29%
Interest to (Customer) / Company	1,363	1,495	1,854	2,205	2,401	2,378	2,455	2,536	2,532	3,059	3,488	3,485	29,251

Net of Tax Calculation

Revenue	100.00
NJ CBT @ 9.0%	<u>9.00</u>
	91.00
FIT @ 21.0%	<u>19.11</u>
Retention Factor	71.89

Notes

1. See Exhibit J, page 6, for calculation of net cost of SRECs.
2. Beginning balance (Over)/Under Recovery is equal to ending balance as shown on Exhibit D, Page 2 of 6, of the Stipulation of Settlement dated May 21, 2019 (as approved by the Board in its June 12, 2019 Order Approving Stipulation in BPU Docket Nos. ER18020109 and ER18020131).

ROCKLAND ELECTRIC COMPANY

**Calculation of Over/Under Recovery Associated with SREC Program Component of RGGI Surcharge
Calendar Year 2019**

	<u>Jan-19</u> Actual	<u>Feb-19</u> Actual	<u>Mar-19</u> Actual	<u>Apr-19</u> Actual	<u>May-19</u> Actual	<u>Jun-19</u> Actual	<u>Jul-19</u> Actual	<u>Aug-19</u> Actual	<u>Sep-19</u> Actual	<u>Oct-19</u> Actual	<u>Nov-19</u> Actual	<u>Dec-19</u> Actual	<u>Total</u>
Total Net Cost of SRECs ¹	\$0	\$0	\$368,365	\$0	\$0	\$0	\$0	\$0	\$0	\$217,231	\$0	\$0	\$585,597
Admin & Program Development	0	2,199		2,774	0	0	4,050	4,330	0	0	1,700	4,050	19,103
Marketing & Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Contracted Processes, Insp & Other QC	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	2,199	0	2,774	0	0	4,050	4,330	0	0	1,700	4,050	19,103
Total Required Costs	0	2,199	368,365	2,774	0	0	4,050	4,330	0	217,231	1,700	4,050	604,700
Actual Recoveries (excl SUT) ²	0	0	0	0	0	0	0	0	0	0	0	0	0
(Over)/Under Recovery	0	2,199	368,365	2,774	0	0	4,050	4,330	0	217,231	1,700	4,050	604,700
Beginning Balance - (Over)/Under Recovery	1,696,470	1,696,470	1,698,669	2,067,034	2,069,808	2,069,808	2,069,808	2,073,858	2,078,188	2,078,188	2,295,419	2,297,119	2,297,119
Ending Balance (Over)/Under Recovery	1,696,470	1,698,669	2,067,034	2,069,808	2,069,808	2,069,808	2,073,858	2,078,188	2,078,188	2,295,419	2,297,119	2,301,169	2,301,169
Average Balance (Over)/Under	1,696,470	1,697,569	1,882,851	2,068,421	2,069,808	2,069,808	2,071,833	2,076,023	2,078,188	2,186,803	2,296,269	2,299,144	2,299,144
Average Balance (Over)/Under - Net of Tax	1,219,592	1,220,382	1,353,582	1,486,988	1,487,985	1,487,985	1,489,441	1,492,453	1,494,009	1,572,093	1,650,788	1,652,855	1,652,855
Interest Rate (Annual)	3.10%	3.12%	3.15%	2.93%	2.91%	2.42%	2.38%	2.33%	2.07%	2.16%	2.16%	2.21%	2.21%
Interest Rate (Monthly)	0.26%	0.26%	0.26%	0.24%	0.24%	0.20%	0.20%	0.19%	0.17%	0.18%	0.18%	0.18%	0.18%
Interest to (Customer) / Company	3,151	3,173	3,553	3,631	3,608	3,001	2,954	2,898	2,577	2,830	2,971	3,044	37,391

Net of Tax Calculation

Revenue		100.00
NJ CBT @	9.0%	<u>9.00</u>
		91.00
FIT @	21.0%	<u>19.11</u>
Retention Factor		71.89

Notes

1. See Exhibit J, page 7, for calculation of net cost of SRECs.
2. Actual recoveries have been netted against 2009 - 2016 Program Balances.

ROCKLAND ELECTRIC COMPANY

Forecasted Calendar Year 2020 SREC Costs

	<u>Jan-20</u> Actual	<u>Feb-20</u> Actual	<u>Mar-20</u> Actual	<u>Apr-20</u> Actual	<u>May-20</u> Actual	<u>Jun-20</u> Actual	<u>Jul-20</u> Actual	<u>Aug-20</u> Actual	<u>Sep-20</u> Actual	<u>Oct-20</u> Actual	<u>Nov-20</u> Estimate	<u>Dec-20</u> Estimate	<u>Total</u>
Total Net Cost of SRECs	\$0	\$0	\$151,283	\$0	\$0	\$0	\$0	\$0	\$0	\$753,437	\$0	\$0	\$904,720
Admin & Program Development	(4,330)	0	0	1,700	0	0	0	0	0	0	0	6,500	3,870
Marketing & Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Contracted Processes, Insp & Other QC	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	(4,330)	0	0	1,700	0	0	0	0	0	0	0	6,500	3,870
Total Required Costs	(4,330)	0	151,283	1,700	0	0	0	0	0	753,437	0	6,500	908,590

ROCKLAND ELECTRIC COMPANY

Actual Cost Recoveries by Month

<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Total</u>	
\$287,338	\$245,506	\$228,092	\$214,056	\$216,964	\$263,926	\$341,502	\$368,098	\$324,101	\$254,823			\$2,744,406	
<u>Jan-19</u>	<u>Feb-19</u>	<u>Mar-19</u>	<u>Apr-19</u>	<u>May-19</u>	<u>Jun-19</u>	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Total</u>	
\$115,406	\$103,270	\$94,816	\$98,765	\$99,560	\$112,074	\$262,327	\$371,623	\$303,527	\$251,545	\$245,801	\$256,090	\$2,314,804	
<u>Jan-18</u>	<u>Feb-18</u>	<u>Mar-18</u>	<u>Apr-18</u>	<u>May-18</u>	<u>Jun-18</u>	<u>Jul-18</u>	<u>Aug-18</u>	<u>Sep-18</u>	<u>Oct-18</u>	<u>Nov-18</u>	<u>Dec-18</u>	<u>Total</u>	
\$0	\$28,526	\$101,564	\$100,066	\$100,582	\$125,034	\$150,893	\$154,015	\$146,329	\$111,058	\$109,766	\$113,299	\$1,241,132	
												Grand Total:	\$6,300,343

ROCKLAND ELECTRIC COMPANY

2018 Detail of SRECs Sold

Auction Date	SRECs Sold	Purchase Price	Selling Price	Customer Charge / (Credit)	SREC Transaction Fee @ \$39.11 ea.	Net Charge to Customer
3/27/2018	182	460.00	233.00	41,314.00	7,118.02	48,432.02
3/27/2018	8	435.00	233.00	1,616.00	312.88	1,928.88
3/27/2018	285	295.00	233.00	17,670.00	11,146.35	28,816.35
3/27/2018	139	349.90	233.00	16,249.10	5,436.29	21,685.39
3/27/2018	72	470.00	233.00	17,064.00	2,815.92	19,879.92
3/27/2018	38	399.00	233.00	6,308.00	1,486.18	7,794.18
3/27/2018	81	399.00	233.00	13,446.00	3,167.91	16,613.91
3/27/2018	44	399.00	233.00	7,304.00	1,720.84	9,024.84
3/27/2018	322	305.00	233.00	23,184.00	12,593.42	35,777.42
3/27/2018	104	325.00	233.00	9,568.00	4,067.44	13,635.44
3/27/2018	54	450.00	233.00	11,718.00	2,111.94	13,829.94
3/27/2018	39	450.00	233.00	8,463.00	1,525.29	9,988.29
3/27/2018	94	450.00	233.00	20,398.00	3,676.34	24,074.34
3/27/2018	65	450.00	233.00	14,105.00	2,542.15	16,647.15
3/27/2018	36	450.00	233.00	7,812.00	1,407.96	9,219.96
3/27/2018	29	410.00	233.00	5,133.00	1,134.19	6,267.19
3/27/2018	39	450.00	233.00	8,463.00	1,525.29	9,988.29
3/27/2018	14	433.00	233.00	2,800.00	547.54	3,347.54
3/27/2018	121	450.00	233.00	26,257.00	4,732.31	30,989.31
3/27/2018	42	460.00	233.00	9,534.00	1,642.62	11,176.62
3/27/2018	248	380.00	233.00	36,456.00	9,699.28	46,155.28
10/16/2018	120	460.00	215.10	29,388.00	4,693.20	34,081.20
10/16/2018	6	435.00	215.10	1,319.40	234.66	1,554.06
10/16/2018	204	295.00	215.10	16,299.60	7,978.44	24,278.04
10/16/2018	80	349.90	215.10	10,784.00	3,128.80	13,912.80
10/16/2018	57	470.00	215.10	14,529.30	2,229.27	16,758.57
10/16/2018	37	399.00	215.10	6,804.30	1,447.07	8,251.37
10/16/2018	74	399.00	215.10	13,608.60	2,894.14	16,502.74
10/16/2018	41	399.00	215.10	7,539.90	1,603.51	9,143.41
10/16/2018	221	305.00	215.10	19,867.90	8,643.31	28,511.21
10/16/2018	70	325.00	215.10	7,693.00	2,737.70	10,430.70
10/16/2018	37	450.00	215.10	8,691.30	1,447.07	10,138.37
10/16/2018	26	450.00	215.10	6,107.40	1,016.86	7,124.26
10/16/2018	65	450.00	215.10	15,268.50	2,542.15	17,810.65
10/16/2018	44	450.00	215.10	10,335.60	1,720.84	12,056.44
10/16/2018	30	450.00	215.10	7,047.00	1,173.30	8,220.30
10/16/2018	18	410.00	215.10	3,508.20	703.98	4,212.18
10/16/2018	35	450.00	215.10	8,221.50	1,368.85	9,590.35
10/16/2018	10	433.00	215.10	2,179.00	391.10	2,570.10
10/16/2018	77	450.00	215.10	18,087.30	3,011.47	21,098.77
10/16/2018	38	460.00	215.10	9,306.20	1,486.18	10,792.38
10/16/2018	101	380.00	215.10	16,654.90	3,950.11	20,605.01
10/16/2018	45	460.00	219.92	10,803.60	1,759.95	12,563.55
10/16/2018	1	435.00	219.92	215.08	39.11	254.19
10/16/2018	65	295.00	219.92	4,880.20	2,542.15	7,422.35
10/16/2018	30	349.90	219.92	3,899.40	1,173.30	5,072.70
10/16/2018	27	470.00	219.92	6,752.16	1,055.97	7,808.13
10/16/2018	15	399.00	219.92	2,686.20	586.65	3,272.85
10/16/2018	28	399.00	219.92	5,014.24	1,095.08	6,109.32
10/16/2018	14	399.00	219.92	2,507.12	547.54	3,054.66
10/16/2018	78	305.00	219.92	6,636.24	3,050.58	9,686.82
10/16/2018	26	325.00	219.92	2,732.08	1,016.86	3,748.94
10/16/2018	13	450.00	219.92	2,991.04	508.43	3,499.47
10/16/2018	9	450.00	219.92	2,070.72	351.99	2,422.71
10/16/2018	22	450.00	219.92	5,061.76	860.42	5,922.18
10/16/2018	15	450.00	219.92	3,451.20	586.65	4,037.85
10/16/2018	12	450.00	219.92	2,760.96	469.32	3,230.28
10/16/2018	8	410.00	219.92	1,520.64	312.88	1,833.52
10/16/2018	12	450.00	219.92	2,760.96	469.32	3,230.28
10/16/2018	4	433.00	219.92	852.32	156.44	1,008.76
10/16/2018	30	450.00	219.92	6,902.40	1,173.30	8,075.70
10/16/2018	13	460.00	219.92	3,121.04	508.43	3,629.47
10/16/2018	45	380.00	219.92	7,203.60	1,759.95	8,963.55
Totals	3,959			\$622,925.96	\$154,836.49	\$777,762.45

ROCKLAND ELECTRIC COMPANY

2019 Detail of SRECs Sold

Auction Date	SRECs Sold	Purchase Price	Selling Price	Customer Charge / (Credit)	SREC Transaction Fee @ \$39.11 ea.	Net Charge to Customer
3/16/2019	164	460	229.00	\$37,884.00	\$6,414.04	\$44,298.04
3/16/2019	7	435	229.00	\$1,442.00	\$273.77	\$1,715.77
3/16/2019	297	295	229.00	\$19,602.00	\$11,615.67	\$31,217.67
3/16/2019	113	349.9	229.00	\$13,661.70	\$4,419.43	\$18,081.13
3/16/2019	90	470	229.00	\$21,690.00	\$3,519.90	\$25,209.90
3/16/2019	45	399	229.00	\$7,650.00	\$1,759.95	\$9,409.95
3/16/2019	66	399	229.00	\$11,220.00	\$2,581.26	\$13,801.26
3/16/2019	48	399	229.00	\$8,160.00	\$1,877.28	\$10,037.28
3/16/2019	370	305	229.00	\$28,120.00	\$14,470.70	\$42,590.70
3/16/2019	119	325	229.00	\$11,424.00	\$4,654.09	\$16,078.09
3/16/2019	48	450	229.00	\$10,608.00	\$1,877.28	\$12,485.28
3/16/2019	36	450	229.00	\$7,956.00	\$1,407.96	\$9,363.96
3/16/2019	85	450	229.00	\$18,785.00	\$3,324.35	\$22,109.35
3/16/2019	59	450	229.00	\$13,039.00	\$2,307.49	\$15,346.49
3/16/2019	42	450	229.00	\$9,282.00	\$1,642.62	\$10,924.62
3/16/2019	47	450	229.00	\$10,387.00	\$1,838.17	\$12,225.17
3/16/2019	15	433	229.00	\$3,060.00	\$586.65	\$3,646.65
3/16/2019	105	450	229.00	\$23,205.00	\$4,106.55	\$27,311.55
3/16/2019	49	460	229.00	\$11,319.00	\$1,916.39	\$13,235.39
3/16/2019	154	380	229.00	\$23,254.00	\$6,022.94	\$29,276.94
10/16/2019	112	460	235.34	\$25,161.92	\$4,380.32	\$29,542.24
10/16/2019	6	435	235.34	\$1,197.96	\$234.66	\$1,432.62
10/16/2019	22	295	235.34	\$1,312.52	\$860.42	\$2,172.94
10/16/2019	88	349.9	235.34	\$10,081.28	\$3,441.68	\$13,522.96
10/16/2019	7	470	235.34	\$1,642.62	\$273.77	\$1,916.39
10/16/2019	11	399	235.34	\$1,800.26	\$430.21	\$2,230.47
10/16/2019	5	399	235.34	\$818.30	\$195.55	\$1,013.85
10/16/2019	13	399	235.34	\$2,127.58	\$508.43	\$2,636.01
10/16/2019	233	305	235.34	\$16,230.78	\$9,112.63	\$25,343.41
10/16/2019	75	325	235.34	\$6,724.50	\$2,933.25	\$9,657.75
10/16/2019	15	450	235.34	\$3,219.90	\$586.65	\$3,806.55
10/16/2019	11	450	235.34	\$2,361.26	\$430.21	\$2,791.47
10/16/2019	26	450	235.34	\$5,581.16	\$1,016.86	\$6,598.02
10/16/2019	13	450	235.34	\$2,790.58	\$508.43	\$3,299.01
10/16/2019	14	450	235.34	\$3,005.24	\$547.54	\$3,552.78
10/16/2019	36	410	235.34	\$6,287.76	\$1,407.96	\$7,695.72
10/16/2019	8	433	235.34	\$1,581.28	\$312.88	\$1,894.16
10/16/2019	19	450	235.34	\$4,078.54	\$743.09	\$4,821.63
10/16/2019	8	460	235.34	\$1,797.28	\$312.88	\$2,110.16
10/16/2019	13	380	235.34	\$1,880.58	\$508.43	\$2,389.01
10/16/2019	15	460	235.34	\$3,369.90	\$586.65	\$3,956.55
10/16/2019	10	470	235.34	\$2,346.60	\$391.10	\$2,737.70
10/16/2019	3	433	235.34	\$592.98	\$117.33	\$710.31
10/16/2019	21	460	235.34	\$4,717.86	\$821.31	\$5,539.17
10/16/2019	1	435	232.00	\$203.00	\$39.11	\$242.11
10/16/2019	2	305	232.00	\$146.00	\$78.22	\$224.22
10/16/2019	29	325	232.00	\$2,697.00	\$1,134.19	\$3,831.19
10/16/2019	10	450	232.00	\$2,180.00	\$391.10	\$2,571.10
10/16/2019	4	433	232.00	\$804.00	\$156.44	\$960.44
10/16/2019	37	460	235.34	\$8,312.42	\$1,447.07	\$9,759.49
10/16/2019	30	349.9	235.34	\$3,436.80	\$1,173.30	\$4,610.10
10/16/2019	80	305	235.34	\$5,572.80	\$3,128.80	\$8,701.60
10/16/2019	28	325	235.34	\$2,510.48	\$1,095.08	\$3,605.56
10/16/2019	38	380	235.34	\$5,497.08	\$1,486.18	\$6,983.26
10/16/2019	37	460	232.00	\$8,436.00	\$1,447.07	\$9,883.07
10/16/2019	30	349.9	232.00	\$3,537.00	\$1,173.30	\$4,710.30
10/16/2019	80	305	232.00	\$5,840.00	\$3,128.80	\$8,968.80
10/16/2019	28	325	232.00	\$2,604.00	\$1,095.08	\$3,699.08
10/16/2019	38	380	232.00	\$5,624.00	\$1,486.18	\$7,110.18
Totals	3,215			\$459,857.92	\$125,738.65	\$585,596.57

ROCKLAND ELECTRIC COMPANY

2020 Projected Detail of SRECs Sold

Auction Date	SRECs Sold	Purchase Price	Selling Price	Customer Charge / (Credit)	SREC Transaction Fee @ \$39.11 ea.	Net Charge to Customer	
3/16/2020	51	460.00	\$232.58	\$11,598.42	\$1,994.61	\$13,593.03	Actual
3/16/2020	40	460.00	\$232.58	\$9,096.80	\$1,564.40	\$10,661.20	Actual
3/16/2020	36	460.00	\$232.58	\$8,187.12	\$1,407.96	\$9,595.08	Actual
3/16/2020	27	460.00	\$232.58	\$6,140.34	\$1,055.97	\$7,196.31	Actual
3/16/2020	20	460.00	\$232.58	\$4,548.40	\$782.20	\$5,330.60	Actual
3/16/2020	11	460.00	\$232.58	\$2,501.62	\$430.21	\$2,931.83	Actual
3/16/2020	2	435.00	\$232.58	\$404.84	\$78.22	\$483.06	Actual
3/16/2020	2	435.00	\$232.58	\$404.84	\$78.22	\$483.06	Actual
3/16/2020	2	435.00	\$232.58	\$404.84	\$78.22	\$483.06	Actual
3/16/2020	1	435.00	\$232.58	\$202.42	\$39.11	\$241.53	Actual
3/16/2020	1	435.00	\$232.58	\$202.42	\$39.11	\$241.53	Actual
3/16/2020	37	349.90	\$232.58	\$4,340.84	\$1,447.07	\$5,787.91	Actual
3/16/2020	32	349.90	\$232.58	\$3,754.24	\$1,251.52	\$5,005.76	Actual
3/16/2020	26	349.90	\$232.58	\$3,050.32	\$1,016.86	\$4,067.18	Actual
3/16/2020	19	349.90	\$232.58	\$2,229.08	\$743.09	\$2,972.17	Actual
3/16/2020	11	349.90	\$232.58	\$1,290.52	\$430.21	\$1,720.73	Actual
3/16/2020	7	349.90	\$232.58	\$821.24	\$273.77	\$1,095.01	Actual
3/16/2020	9	399.00	\$232.58	\$1,497.78	\$351.99	\$1,849.77	Actual
3/16/2020	9	399.00	\$232.58	\$1,497.78	\$351.99	\$1,849.77	Actual
3/16/2020	9	399.00	\$232.58	\$1,497.78	\$351.99	\$1,849.77	Actual
3/16/2020	7	399.00	\$232.58	\$1,164.94	\$273.77	\$1,438.71	Actual
3/16/2020	7	399.00	\$232.58	\$1,164.94	\$273.77	\$1,438.71	Actual
3/16/2020	5	399.00	\$232.58	\$832.10	\$195.55	\$1,027.65	Actual
3/16/2020	2	399.00	\$232.58	\$332.84	\$78.22	\$411.06	Actual
3/16/2020	8	399.00	\$234.03	\$1,319.76	\$312.88	\$1,632.64	Actual
3/16/2020	10	399.00	\$234.03	\$1,649.70	\$391.10	\$2,040.80	Actual
3/16/2020	88	305.00	\$232.58	\$6,372.96	\$3,441.68	\$9,814.64	Actual
3/16/2020	83	305.00	\$232.58	\$6,010.86	\$3,246.13	\$9,256.99	Actual
3/16/2020	78	305.00	\$232.58	\$5,648.76	\$3,050.58	\$8,699.34	Actual
3/16/2020	55	305.00	\$232.58	\$3,983.10	\$2,151.05	\$6,134.15	Actual
3/16/2020	38	305.00	\$232.58	\$2,751.96	\$1,486.18	\$4,238.14	Actual
3/16/2020	32	305.00	\$232.58	\$2,317.44	\$1,251.52	\$3,568.96	Actual
3/16/2020	27	325.00	\$232.58	\$2,495.34	\$1,055.97	\$3,551.31	Actual
3/16/2020	26	325.00	\$232.58	\$2,402.92	\$1,016.86	\$3,419.78	Actual
3/16/2020	14	450.00	\$232.58	\$3,043.88	\$547.54	\$3,591.42	Actual
3/16/2020	11	450.00	\$232.58	\$2,391.62	\$430.21	\$2,821.83	Actual
3/16/2020	10	450.00	\$232.58	\$2,174.20	\$391.10	\$2,565.30	Actual
3/16/2020	8	450.00	\$232.58	\$1,739.36	\$312.88	\$2,052.24	Actual
3/16/2020	7	450.00	\$232.58	\$1,521.94	\$273.77	\$1,795.71	Actual
3/16/2020	2	450.00	\$232.58	\$434.84	\$78.22	\$513.06	Actual
3/16/2020	4	433.00	\$232.58	\$801.68	\$156.44	\$958.12	Actual
3/16/2020	4	433.00	\$232.58	\$801.68	\$156.44	\$958.12	Actual
3/16/2020	3	433.00	\$232.58	\$601.26	\$117.33	\$718.59	Actual
3/16/2020	2	433.00	\$232.58	\$400.84	\$78.22	\$479.06	Actual
3/16/2020	2	433.00	\$232.58	\$400.84	\$78.22	\$479.06	Actual
3/16/2020	1	433.00	\$232.58	\$200.42	\$39.11	\$239.53	Actual
10/16/2020	129	\$295.00	\$227.70	\$8,681.70	\$5,045.19	\$13,726.89	Actual
10/16/2020	54	\$399.00	\$227.70	\$9,250.20	\$2,111.94	\$11,362.14	Actual
10/16/2020	15	\$410.00	\$227.70	\$2,734.50	\$586.65	\$3,321.15	Actual
10/16/2020	143	\$450.00	\$227.70	\$31,788.90	\$5,592.73	\$37,381.63	Actual
10/16/2020	11	\$460.00	\$227.70	\$2,555.30	\$430.21	\$2,985.51	Actual
10/16/2020	42	\$470.00	\$227.70	\$10,176.60	\$1,642.62	\$11,819.22	Actual
10/16/2020	67	\$295.00	\$228.50	\$4,455.50	\$2,620.37	\$7,075.87	Actual
10/16/2020	57	\$305.00	\$228.50	\$4,360.50	\$2,229.27	\$6,589.77	Actual
10/16/2020	44	\$325.00	\$228.50	\$4,246.00	\$1,720.84	\$5,966.84	Actual
10/16/2020	27	\$349.90	\$228.50	\$3,277.80	\$1,055.97	\$4,333.77	Actual
10/16/2020	40	\$380.00	\$228.50	\$6,060.00	\$1,564.40	\$7,624.40	Actual
10/16/2020	44	\$399.00	\$228.50	\$7,502.00	\$1,720.84	\$9,222.84	Actual
10/16/2020	9	\$410.00	\$228.50	\$1,633.50	\$351.99	\$1,985.49	Actual
10/16/2020	4	\$433.00	\$228.50	\$818.00	\$156.44	\$974.44	Actual
10/16/2020	2	\$435.00	\$228.50	\$413.00	\$78.22	\$491.22	Actual
10/16/2020	110	\$450.00	\$228.50	\$24,365.00	\$4,302.10	\$28,667.10	Actual
10/16/2020	39	\$460.00	\$228.50	\$9,028.50	\$1,525.29	\$10,553.79	Actual
10/16/2020	22	\$470.00	\$228.50	\$5,313.00	\$860.42	\$6,173.42	Actual
10/16/2020	602	\$295.00	\$229.25	\$39,581.50	\$23,544.22	\$63,125.72	Actual
10/16/2020	205	\$305.00	\$229.25	\$15,528.75	\$8,017.55	\$23,546.30	Actual
10/16/2020	121	\$325.00	\$229.25	\$11,585.75	\$4,732.31	\$16,318.06	Actual
10/16/2020	84	\$349.90	\$229.25	\$10,134.60	\$3,285.24	\$13,419.84	Actual
10/16/2020	302	\$380.00	\$229.25	\$45,526.50	\$11,811.22	\$57,337.72	Actual
10/16/2020	299	\$399.00	\$229.25	\$50,755.25	\$11,693.89	\$62,449.14	Actual
10/16/2020	17	\$410.00	\$229.25	\$3,072.75	\$664.87	\$3,737.62	Actual
10/16/2020	13	\$433.00	\$229.25	\$2,648.75	\$508.43	\$3,157.18	Actual
10/16/2020	6	\$435.00	\$229.25	\$1,234.50	\$234.66	\$1,469.16	Actual
10/16/2020	898	\$450.00	\$229.25	\$198,233.50	\$35,120.78	\$233,354.28	Actual
10/16/2020	192	\$460.00	\$229.25	\$44,304.00	\$7,509.12	\$51,813.12	Actual
10/16/2020	191	\$470.00	\$229.25	\$45,983.25	\$7,470.01	\$53,453.26	Actual
Totals	4,675			\$721,880.92	\$182,839.25	\$904,720.17	

DRAFT

Revised Leaf No. 58
Superseding Revised Leaf No. 58

GENERAL INFORMATION

No. 34 REGIONAL GREENHOUSE GAS INITIATIVE (“RGGI”) SURCHARGE

The RGGI Surcharge shall be applied to the kWh usage on the bills of all customers served under this Schedule. The RGGI Surcharge shall include the costs related to the Company’s:

- (a) Energy Efficiency Stimulus Program (“EES Program”);
- (b) Low Income Audit and Direct Install Energy Efficiency Program (“Low Income Audit II Program”);
- (c) Low Income Audit and Direct Install Energy Efficiency Program (“Low Income Audit III Program”);
- (d) Solar Renewable Energy Certificate Program (“SREC Program”), including both the SREC I and SREC II Programs; and
- (e) Transition Renewable Energy Certificate Program (“TREC Program”).

The RGGI Surcharge to be effective on and after the date indicated below shall be set at 0.~~2544~~**1285** cents per kWh, including sales and use tax (“SUT”). The RGGI Surcharge includes the following rate components:

	RGGI Surcharge Rate Components (Cents per kWh)	
	Excluding SUT	Including SUT
EES Program	(0. 0236 0115)	(0. 0252 0123)
Low Income Audit II Program	(0.0025) 0.0148	(0.0027) 0.0158
Low Income Audit III Program	(0.0058) 0.0080	(0.0062) 0.0085
SREC I Program	0. 2143 0808	0. 2285 0862
SREC II Program	0.0000	0.0000
TREC Program	0.0444	0.0473
Total RGGI Surcharge	0. 2384 1205	0. 2544 1285

(a) EES Program

The EES Program component of the RGGI Surcharge will be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected. Any difference will be included in the EES Program component of the following year’s RGGI Surcharge. The difference between the actual monthly revenue requirement associated with the EES Program and actual recoveries through the EES Program component of the RGGI Surcharge will be deferred, with interest, for future recovery.

On February 1 of each year, the Company shall file with the Board the EES Program component of the RGGI Surcharge to be effective for the twelve-month period commencing the following June 1. The EES Program component of the RGGI Surcharge shall be set to recover any prior period over- or under-recovered balances, including interest, and to provide current recovery of the forecasted EES Program revenue requirement over the twelve-month period commencing the following June 1.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President
Mahwah, New Jersey 07430

GENERAL INFORMATION

No. 34 REGIONAL GREENHOUSE GAS INITIATIVE (“RGGI”) SURCHARGE

The RGGI Surcharge shall be applied to the kWh usage on the bills of all customers served under this Schedule. The RGGI Surcharge shall include the costs related to the Company’s:

- (a) Energy Efficiency Stimulus Program (“EES Program”);
- (b) Low Income Audit and Direct Install Energy Efficiency Program (“Low Income Audit II Program”);
- (c) Low Income Audit and Direct Install Energy Efficiency Program (“Low Income Audit III Program”);
- (d) Solar Renewable Energy Certificate Program (“SREC Program”), including both the SREC I and SREC II Programs; and
- (e) Transition Renewable Energy Certificate Program (“TREC Program”).

The RGGI Surcharge to be effective on and after the date indicated below shall be set at 0.1285 cents per kWh, including sales and use tax (“SUT”). The RGGI Surcharge includes the following rate components:

	RGGI Surcharge Rate Components (Cents per kWh)	
	Excluding SUT	Including SUT
EES Program	(0.0115)	(0.0123)
Low Income Audit II Program	0.0148	0.0158
Low Income Audit III Program	(0.0080)	(0.0085)
SREC I Program	0.0808	0.0862
SREC II Program	0.0000	0.0000
TREC Program	0.0444	0.0473
Total RGGI Surcharge	0.1205	0.1285

(a) EES Program

The EES Program component of the RGGI Surcharge will be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected. Any difference will be included in the EES Program component of the following year’s RGGI Surcharge. The difference between the actual monthly revenue requirement associated with the EES Program and actual recoveries through the EES Program component of the RGGI Surcharge will be deferred, with interest, for future recovery.

On February 1 of each year, the Company shall file with the Board the EES Program component of the RGGI Surcharge to be effective for the twelve-month period commencing the following June 1. The EES Program component of the RGGI Surcharge shall be set to recover any prior period over- or under-recovered balances, including interest, and to provide current recovery of the forecasted EES Program revenue requirement over the twelve-month period commencing the following June 1.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President
 Mahwah, New Jersey 07430