



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

November 22, 2010

Honorable Kristi Izzo
Secretary
State of New Jersey
Board of Public Utilities
Two Gateway Center, Suite 801
Newark, NJ 07102

Re: Building Utilization and Business Expansion Riders

Dear Secretary Izzo:

Rockland Electric Company ("RECO" or "the Company") hereby submits for filing an original and ten copies of the following tariff leaves, in draft format, reflecting proposed changes to its Schedule for Electric Service B.P.U. No. 3 – Electricity.

1st	Revised Leaf No.	76
1st	Revised Leaf No.	77
1st	Revised Leaf No.	78
1st	Revised Leaf No.	79
1st	Revised Leaf No.	80
1st	Revised Leaf No.	81

The Company's Building Utilization Rider ("BUR") and Business Expansion Rider ("BER") are designed to attract new businesses to locate in the Company's service area and to encourage expansion by existing customers through a bill credit. The purpose of this filing is to extend the enrollment periods of these riders and make certain other changes as described below:

1. The enrollment period under the current BUR and BER will expire on December 31, 2010. The Company proposes to extend the enrollment period of these two riders through December 31, 2013.
2. The BUR and BER bill credits are currently determined by applying a per kWh credit rate to a customer's kWh usage. However the bill credits are applicable only to usage in certain rate blocks and time periods. This has proven to be a source of customer confusion since customers cannot readily estimate the magnitude of the bill credits they will receive. Therefore, the Company is proposing to change the method of calculating the credit from one based on a per kWh rate, applicable only to certain usage, to one based on a percentage. Specifically, the Company is proposing that the credit be set at 20 percent of the Customer Charge and Distribution Charges.

3. The Company proposes to extend the term of the credit from three to five years to make both riders more effective in attracting customers to the RECO service territory.
4. There are situations where an extension of the Company's electric facilities is necessary to provide service to a BUR or BER customer. The current BUR and BER contain a requirement that the customer's space must require no "significant additional investment" in facilities by the Company, which is defined as 50% of the estimated first year net annual revenue. The Company is proposing to enhance the investment in facilities it would make on a BUR or BER customer's behalf by introducing a new provision entitled "Revenue Test for Facility Extensions" in these riders. Under this new provision, the cost and expense which the Company will bear for the facility extension will be equal to four times the projected annual delivery revenue resulting from the customer's construction or expansion. Delivery revenue, for the purposes of the revenue test provision, is defined as revenue derived by the Company from the Customer Charge, Distribution Charges, and Transmission Charges of the customer's applicable service classification, less the BUR or BER credit, and excluding New Jersey Sales and Use Tax, the Transitional Facility Assessment and Transmission Surcharges. The customer will be required to pay a lump sum charge, prior to the commencement of construction, for the installation of any Company facilities in excess of the amount described above.

The customer must provide financial security in the form of a performance bond or an irrevocable letter of credit, in the lesser of an amount equal to four times the projected annual delivery revenue resulting from the customer's construction or expansion or the cost of the facility extension. This requirement is necessary so that the delivery revenue upon which the revenue test is based is realized by the Company, either through normal billing or by drawing on the customer's security.

The revenue test provision also includes a start up period not to exceed twelve months from the date service commences under these riders. For each of the first four years after the end of the start up period, the Company will compare the projected delivery revenue used in the revenue test to the actual delivery revenue received in the preceding year. If actual delivery revenue is less than the projected delivery revenue, the Company will notify the customer of such difference and the Company may call upon the performance bond and/or irrevocable letter of credit for such difference.

RECO believes that the continued availability of these economic development riders provides an incentive for electric customers to remain, expand or newly locate in the Company's service area. The BUR and BER, when coupled with current state economic development programs, local community incentives, and other RECO-run assistance programs will offer customers an enhanced financial inducement to either move into the Company's service area or remain within it. RECO requests that the Board approve the extension of and modifications to the BUR and BER as described above.

Honorable Kristi Izzo
November 22, 2010
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Questions regarding this filing can be directed to me at (212) 460-3308.

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

Very truly yours,

A handwritten signature in black ink, appearing to read "William A. Atzl, Jr.", written in a cursive style.

William A. Atzl, Jr.
Director – O&R Rates

GENERAL INFORMATION
SERVICE CLASSIFICATION RIDER (Continued)

BUILDING UTILIZATION RIDER

Applicable To

Customers receiving service under Service Classification No. 2 or 7. This rider is not available to those customers taking high voltage distribution service.

Character of Service

Commitments for service under this provision will be made available to qualifying customers from January 1, 2011 until December 31, 2013. Customers must commence service hereunder within 24 months of the date of commitment.

Eligibility

Each customer will be required to sign an application for service under the Building Utilization Rider. The application must be submitted prior to leasing or purchasing vacant space. Upon verification of eligibility, the Company will approve the application and provide the customer with a written commitment for service hereunder.

To be eligible, a customer must lease or purchase space that has been vacant for a minimum of three months prior to such time as the customer submits an application for service hereunder, as determined by the Company. The total leased or purchased building space must equal or exceed 7,500 square feet.

To be eligible, the customer must operate a business therein which is classified by the North American Industry Classification System (1997 edition or supplements thereto) as Manufacturing (Sector 31-33), Wholesale Trade (Sector 42), Transportation and Warehousing (Sector 48-49), Information (Sector 51), Finance and Insurance (Sector 52), Real Estate, Rental and Leasing (Sector 53), Professional, Scientific and Technical Services (Sector 54), Management of Companies and Enterprises (Sector 55), Administrative, Support, Waste Management and Remediation (Sector 56).

To be eligible, the customer must qualify for, receive, and provide the Company with suitable documentation substantiating the receipt of a comprehensive package of economic incentives conferred by the local municipality or state authorities and including substantial financial assistance or a substantial tax incentive program designed to maintain or increase employment levels in the service area.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: William Longhi, President
Saddle River, New Jersey 07458

GENERAL INFORMATION
SERVICE CLASSIFICATION RIDER (Continued)

BUILDING UTILIZATION RIDER (Continued)

Eligibility (Continued)

To be eligible, the customer must be adding permanent full-time employees to their payroll at the site receiving service under the Building Utilization Rider. Relocation or consolidation of New Jersey based employees, without employment growth, will not qualify. By December 31 of each of the five years a customer receives service under this Rider, the customer shall submit to the Company, a letter detailing how many additional jobs it has added for that year and its current employee level. A customer failing to provide this information by December 31 of each year shall no longer be eligible for service under this Rider.

The Company shall not be obligated to approve additional applications in a calendar year if applications representing over 500,000 square feet of total leased or purchased building space have been accepted in such calendar year.

Credit

For the customer's newly leased or purchased space, as determined by the Company, a credit of 20 percent of the Customer Charge and Distribution Charges will be applied to the customer's monthly electric bills for 60 consecutive billing months.

Revenue Test For Facility Extensions

The Company shall implement the following revenue test to determine whether a customer must make a contribution toward the costs associated with any investment in facilities by the Company necessary to provide service to the customer.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: William Longhi, President
Saddle River, New Jersey 07458

GENERAL INFORMATION
SERVICE CLASSIFICATION RIDER (Continued)

BUILDING UTILIZATION RIDER (Continued)

Revenue Test For Facility Extensions (Continued)

The cost and expense which the Company must bear shall be equal to four times the projected annual delivery revenue resulting from the customer's construction or expansion. Delivery revenue, for the purposes of this provision, shall be defined as revenue derived by the Company from the Customer Charge, Distribution Charges, and Transmission Charges of the customer's applicable service classification, less the Credit provided under this Rider and excluding New Jersey Sales and Use Tax, the Transitional Energy Facility Assessment and Transmission Surcharges. The customer must pay a lump sum charge, prior to the commencement of construction, for the installation of any Company facilities in excess of the amount described above.

The customer must provide, for a period of time equal to the startup period, as defined below, plus four years, financial security in the form of a performance bond or an irrevocable letter of credit, in a form and from a party reasonably acceptable to the Company, in the lesser of an amount equal to four times the projected annual delivery revenue resulting from the customer's construction or expansion or the cost of the facility extension.

The Company and the customer shall agree on a startup period, not to exceed twelve months, beginning on the date service commences hereunder. For each of the first four years after the end of the startup period, the Company shall compare the projected delivery revenue used in the above-referenced revenue test to actual delivery revenue received in the preceding year. If actual delivery revenue is less than projected delivery revenue, the Company shall notify the customer of such difference and the Company may call upon the performance bond and/or irrevocable letter of credit for such difference.

Limitations of Service

This service is not available to federal, state, county, or local government entities.

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EFFECTIVE:

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GENERAL INFORMATION
SERVICE CLASSIFICATION RIDER (Continued)

BUSINESS EXPANSION RIDER

Applicable To

Customers receiving service under Service Classification No. 2 or 7. This rider is not available to those customers taking high voltage distribution service.

Character of Service

Commitments for service under this provision will be made available to qualifying customers from January 1, 2011 until December 31, 2013. Customers must commence service hereunder within 24 months of the date of such commitment.

Eligibility

Eligible customers are those constructing new facilities or expanding existing facilities subject to the requirements of this Rider.

Each customer will be required to sign an application for service under the Business Expansion Rider. The application must be submitted prior to construction. Upon verification of eligibility, the Company will approve the application and provide the customer with a written commitment for service hereunder.

To be eligible, the area of the customer's newly constructed facility or expansion of an existing facility must equal or exceed 7,500 square feet.

To be eligible, a customer must be locating, relocating or expanding into a Designated Growth Area as defined in General Information Section No. 17.

To be eligible, a customer's newly constructed facility or expansion of an existing facility must be classified by the North American Industry Classification System (1997 edition or supplements thereto) as Manufacturing (Sector 31-33), Wholesale Trade (Sector 42), Transportation and Warehousing (Sector 48-49), Information (Sector 51), Finance and Insurance (Sector 52), Real Estate, Rental and Leasing (Sector 53), Professional, Scientific and Technical Services (Sector 54), Management of Companies and Enterprises (Sector 55), Administrative, Support, Waste Management and Remediation (Sector 56).

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GENERAL INFORMATION
SERVICE CLASSIFICATION RIDER (Continued)

BUSINESS EXPANSION RIDER (Continued)

Eligibility (Continued)

To be eligible, the customer must qualify for, receive, and provide the Company with suitable documentation substantiating the receipt of a comprehensive package of economic incentives conferred by the local municipality or state authorities and including substantial financial assistance or a substantial tax incentive program designed to maintain or increase employment levels in the service area

To be eligible, the customer must be adding permanent full-time employees to their payroll at the site receiving service under the Business Expansion Rider. Relocation or consolidation of New Jersey based employees, without employment growth, will not qualify. By December

31 of each of the five years a customer receives service under this Rider, the customer shall submit to the Company, a letter detailing how many additional jobs it has added for that year and its current employee level. A customer failing to provide this information by December 31 of each year shall no longer be eligible for service under this Rider.

The Company shall not be obligated to approve additional applications in a calendar year if applications representing over 500,000 square feet of total newly constructed or expanded building space have been accepted in such calendar year.

Credit

For the customer's newly constructed or expanded portion of their existing facility, as determined by the Company, a credit of 20 percent of the Customer Charge and Distribution Charges will be applied to the customer's monthly electric bills for 60 consecutive billing months.

Revenue Test For Facility Extensions

The Company shall implement the following revenue test to determine whether a customer must make a contribution toward the costs associated with any investment in facilities by the Company necessary to provide service to the customer.

(Continued)

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GENERAL INFORMATION
SERVICE CLASSIFICATION RIDER (Continued)

BUSINESS EXPANSION RIDER (Continued)

Revenue Test For Facility Extensions (Continued)

The cost and expense which the Company must bear shall be equal to four times the projected annual delivery revenue resulting from the customer's construction or expansion. Delivery revenue, for the purposes of this provision, shall be defined as revenue derived by the Company from the Customer Charge, Distribution Charges, and Transmission Charges of the customer's applicable service classification, less the Credit provided under this Rider and excluding New Jersey Sales and Use Tax, the Transitional Energy Facility Assessment and Transmission Surcharges. The customer must pay a lump sum charge, prior to the commencement of construction, for the installation of any Company facilities in excess of the amount described above.

The customer must provide, for a period of time equal to the startup period, as defined below, plus four years, financial security in the form of a performance bond or an irrevocable letter of credit, in a form and from a party reasonably acceptable to the Company, in the lesser of an amount equal to four times the projected annual delivery revenue resulting from the customer's construction or expansion or the cost of the facility extension.

The Company and the customer shall agree on a startup period, not to exceed twelve months, beginning on the date service commences hereunder. For each of the first four years after the end of the startup period, the Company shall compare the projected delivery revenue used in the above-referenced revenue test to actual delivery revenue received in the preceding year. If actual delivery revenue is less than projected delivery revenue, the Company shall notify the customer of such difference and the Company may call upon the performance bond and/or irrevocable letter of credit for such difference.

Limitations of Service

This service is not available to federal, state, county or local government entities.

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