



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

January 30, 2015

Honorable Kristi Izzo  
Secretary  
State of New Jersey  
Board of Public Utilities  
44 South Clinton Avenue, 9th Floor  
PO Box 350  
Trenton, New Jersey 08625-0350

Re: In the Matter of 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. \_\_\_\_\_

Dear Secretary Izzo:

Rockland Electric Company ("RECO" or "the Company") hereby submits for filing an original and ten copies of Leaf No. 58 to its Schedule for Electric Service B.P.U. No. 3 – Electricity (the "Electric Tariff") in draft format. This filing is submitted in accordance with General Information Section No. 34 of the Company's Electric Tariff, which requires the submission of an annual filing to reconcile any over- or under-recovered balances collected through the Low Income Audit and Direct Install Energy Efficiency II Program ("Low Income Audit II Program") component of the Regional Greenhouse Gas Initiative ("RGGI") Surcharge and to establish the RGGI Surcharge in effect for the following June 1.

The Company is proposing a RGGI Surcharge that is a charge of 0.0322 cents per kWh, including Sales and Use Tax ("SUT") effective June 1, 2015. The proposed RGGI Surcharge includes two components: (1) an EES Program surcharge of 0.0307 cents per kWh, including SUT, which is unchanged; and (2) a revised Low Income Audit II Program surcharge of 0.0015 cents per kWh, including SUT.

#### Low Income Audit II Program

On June 21, 2013, the Company filed a petition with the New Jersey Board of Public Utilities ("BPU") seeking approval to administer an energy efficiency program to recover program costs and revenue requirements through the Company's RGGI surcharge pursuant to N.J.S.A 48:3-97.1 ("June 21 Petition"). Specifically, in the June 21 Petition, the Company sought authorization to implement a Low Income Audit II Program to provide free energy efficiency measures recommended as a result of an energy audit to customers in the RECO service territory. On April 4, 2014, a Stipulation of Settlement ("Stipulation") was entered into by the Company, the Staff of the New Jersey Board of Public Utilities ("Staff"), and the Department of the Public Advocate, Division of Rate Counsel ("Rate Counsel") detailing the program and cost

recovery mechanism. The Board, in its Order dated April 23, 2014 in Docket No. ER13060535<sup>1</sup> ("April 2014 Order"), approved the Stipulation.

The Stipulation calls for an annual filing with copies provided to the Signatory Parties on February 1 and annually thereafter to set the Low Income Audit II Program component of the RGGI surcharge effective the following June 1. The Low Income Audit II Program component of the RGGI Surcharge is set to recover any prior period under- or over-recovered balances, including interest, and to provide current recovery of the forecasted Low Income Audit II Program revenue requirement over the twelve-month period commencing the following June 1. The calculation of the under/over-collection as well as the associated interest is set forth on Appendix A, Page 3. Included in this calculation of the under/over-collection for the review period are actual revenue requirements and recoveries for calendar year 2014. It should be noted that although the program was approved to begin recovery for the Low Income Audit II Program on June 1, 2014, the program budget of \$649,630 commences from the date a contract is signed between the Company and the contractor selected by the Company<sup>2</sup>.

As provided for in the Board's April 2014 Order (p. 6), the revenue requirement calculation includes a Weighted Average Cost of Capital ("WACC") of 7.93% for periods prior to a WACC approved in any subsequent rate case. The WACC of 7.93% applied only to the revenue requirement calculation for the months of June and July 2014 as the new WACC of 7.83% was approved by the Board in the Company's Base Rate Case filing on July 23, 2014 in BPU Docket No. 13111135. The calculations supporting the determination of these WACCs can be found on Pages 7 and 10 of Appendix A.

As shown in Appendix A, Page 3, the total over-collection related to the Low Income Audit II equals \$65,797 including interest. As shown in Appendix A, Page 12, the estimated revenue requirement related to the Low Income Audit II Program for calendar year 2015 equals \$90,013.

#### Low Income Audit II Minimum Filing Requirements

There were a number of minimum filing requirements that were required in page 5 of the Stipulation. As directed by the Stipulation, the Company was to include these minimum filing requirements as part of its Annual Filing. Appendices A through F contain the requested information outlined in these minimum filing requirements. The table below outlines which requirements are met by each of the Appendices attached to this filing letter.

Appendix	Minimum Filing Requirement Satisfied
A	(2), (3), (4), (5), (6) and (10)
B	(7)
C	(8)
D	(1)
E	(11)
F	(9)

<sup>1</sup> I/M/O The Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery.

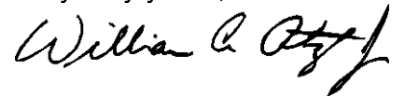
<sup>2</sup> See Page 4 of the April 2014 Order. The Company has since signed a contract with its vendor on January 16, 2015 and for practical reasons has determined the start and end date of the two year program to be January 1, 2015 and December 31, 2016. The Company filed a letter containing this information on January 21, 2015 with the Board.

Honorable Kristi Izzo  
January 30, 2015  
Page 3 of 3

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

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

Very truly yours,

A handwritten signature in black ink, appearing to read "William A. Atzl, Jr.", with a stylized flourish at the end.

William A. Atzl, Jr.  
Director – Rate Engineering

**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”); and
- (b) Low Income Audit and Direct Install Energy Efficiency Program (“Low Income Audit II Program”).

The RGGI Surcharge to be effective on and after the date indicated below shall be set at 0.0322 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	0.0287	0.0307
Low Income Audit II Program	0.0014	0.0015
Total RGGI Surcharge	0.0301	0.0322

**(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 September 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 January 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 January 1.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Timothy Cawley, 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"); and
- (b) Low Income Audit and Direct Install Energy Efficiency Program ("Low Income Audit II Program").

The RGGI Surcharge to be effective on and after the date indicated below shall be set at ~~0.03900.0322~~ 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	0.0287	0.0307
Low Income Audit II Program	<del>0.00780.0014</del>	<del>0.00830.0015</del>
Total RGGI Surcharge	<del>0.03650.0301</del>	<del>0.03900.0322</del>

**(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 September 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 January 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 January 1.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Timothy Cawley, President  
Mahwah, New Jersey 07430

**ROCKLAND ELECTRIC COMPANY**

**Determination of Regional Greenhouse Gas Initiative ("RGGI") Surcharge**

**Determination of Low Income Audit II Program Reconciliation Adjustment Component of RGG Surcharge**

Low Income Audit II Program Recoveries (January 1, 2014 - December 31, 2014)	\$65,653
Low Income Audit II Program Revenue Requirement	0
Prior Period Reconciliation (Over)/Under Recovery - See Page 2	<u>0</u>
Low Income Audit II Program (Over)/Under Recovery Balance	(65,653)
Interest (Over)/Under Recovery Balance	<u>(144)</u>
Total Low Income Audit II Program (Over)/Under Recovery Balance for 12 ME 12/31/2014	(65,797)
Projected Sales (kWh) 12 months ending December 31, 2015	1,624,343,000
\$ per kWh Reconciliation to be (Refunded)/Surcharged	(\$0.000041)
Sales and Use Tax ("SUT")	1.07
Low Income Audit II Program Reconciliation Adjustment	(\$0.000044)

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

Revenue Requirement for 12 Months Ending December 31, 2015	\$90,013
Projected Sales (kWh) 12 months ending December 31, 2015	1,624,343,000
\$ per kWh Projected Spending to be (Refunded)/Surcharged	\$0.000055
Sales and Use Tax ("SUT")	1.07
Low Income Audit II Program Charge	\$0.000059

**RGGI Surcharge**

Proposed Low Income Audit II Program Component of RGGI Surcharge Excluding SUT (\$ per kWh)	\$0.000014
Proposed Low Income Audit II Program Component of RGGI Surcharge Including SUT (\$ per kWh)	\$0.000015

**ROCKLAND ELECTRIC COMPANY**

**Determination of RGGI Surcharge to be Effective with  
Service Rendered on or after June 1, 2015**

<b><u>RGGI Rate Components</u></b>	<b><u>Excl. SUT (¢/kWh)</u></b>	<b><u>Incl. SUT (¢/kWh)</u></b>
EES Program	0.0287	0.0307
Low Income Audit II Program	<u>0.0014</u>	<u>0.0015</u>
Total	0.0301	0.0322

**ROCKLAND ELECTRIC COMPANY**

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

	<u>Jan-14</u> Actual	<u>Feb-14</u> Actual	<u>Mar-14</u> Actual	<u>Apr-14</u> Actual	<u>May-14</u> Actual	<u>Jun-14</u> Actual	<u>Jul-14</u> Actual	<u>Aug-14</u> Actual	<u>Sep-14</u> Actual	<u>Oct-14</u> Actual	<u>Nov-14</u> Actual	<u>Dec-14</u> Actual	<u>Total</u>
<b>1. Determination of (Over)/Under Recovered Balance</b>													
Revenue Requirement <sup>1</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prior Period Reconciliation Adj.	\$0												\$0
Monthly Recoveries	0	0	0	0	0	4,831	12,324	12,546	11,537	9,190	7,480	7,744	\$65,653
(Over)/Under Recovery	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$4,831)</u>	<u>(\$12,324)</u>	<u>(\$12,546)</u>	<u>(\$11,537)</u>	<u>(\$9,190)</u>	<u>(\$7,480)</u>	<u>(\$7,744)</u>	<u>(\$65,653)</u>
<b>2. Determination of Interest</b>													
Revenue Requirement @ WACC = 7.93%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prior Period Reconciliation Adj.	\$0												\$0
Monthly Recoveries	0	0	0	0	0	4,831	12,324	12,546	11,537	9,190	7,480	7,744	65,653
(Over)/Under Recovery	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$4,831)</u>	<u>(\$12,324)</u>	<u>(\$12,546)</u>	<u>(\$11,537)</u>	<u>(\$9,190)</u>	<u>(\$7,480)</u>	<u>(\$7,744)</u>	<u>(\$65,653)</u>
Beginning Balance - (Over)/Under Recovery	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,831)	(\$17,155)	(\$29,701)	(\$41,238)	(\$50,429)	(\$57,908)	
Ending Balance (Over)/Under Recovery	\$0	\$0	\$0	\$0	\$0	(\$4,831)	(\$17,155)	(\$29,701)	(\$41,238)	(\$50,429)	(\$57,908)	(\$65,653)	
Average Balance (Over)/Under	\$0	\$0	\$0	\$0	\$0	(\$2,416)	(\$10,993)	(\$23,428)	(\$35,470)	(\$45,833)	(\$54,168)	(\$61,780)	
Average Balance (Over)/Under - Net of Tax	\$0	\$0	\$0	\$0	\$0	(\$1,429)	(\$6,502)	(\$13,858)	(\$20,980)	(\$27,110)	(\$32,041)	(\$36,543)	
Interest Rate (Annual) <sup>2</sup>	0.99%	1.07%	1.07%	1.13%	1.13%	1.12%	1.09%	1.26%	1.26%	1.26%	1.26%	1.26%	
Interest Rate (Monthly)	0.08%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.11%	0.11%	0.11%	0.11%	0.11%	
Interest (To Customer) /To Company	\$0	\$0	\$0	\$0	\$0	(\$1)	(\$6)	(\$15)	(\$22)	(\$28)	(\$34)	(\$38)	<u>(\$144)</u>
Total (Over)/Under Collection Including Interest													<u>(\$65,797)</u>

Notes: <sup>1</sup> Based on WACC of 7.93% through July 31, 2014 and a WACC of 7.83% effective August 1, 2014

<sup>2</sup> Federal Reserve Board US Treasury Securities at two year constant maturity plus 60 basis points.



**ROCKLAND ELECTRIC COMPANY**

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

<b><u>SC No.</u></b>	<b><u>Jan-14</u></b>	<b><u>Feb-14</u></b>	<b><u>Mar-14</u></b>	<b><u>Apr-14</u></b>	<b><u>May-14</u></b>	<b><u>Jun-14</u></b>	<b><u>Jul-14</u></b>	<b><u>Aug-14</u></b>	<b><u>Sep-14</u></b>	<b><u>Oct-14</u></b>	<b><u>Nov-14</u></b>	<b><u>Dec-14</u></b>	<b><u>Total</u></b>
1						\$1,988	\$6,751	\$6,525	\$5,933	\$4,060	\$3,340	\$3,601	\$32,198
2						\$5,067	\$4,546	\$4,895	\$4,639	\$4,093	\$2,571	\$3,267	\$29,077
3						\$0	\$2	\$2	\$2	\$1	\$2	\$2	\$10
4						-\$84	\$35	\$38	\$42	\$47	\$15	\$44	\$138
5						\$76	\$112	\$117	\$109	\$79	\$78	\$97	\$668
6						\$22	\$29	\$32	\$39	\$43	\$39	\$36	\$240
7						<u>-\$1,899</u>	<u>\$1,711</u>	<u>\$1,815</u>	<u>\$1,582</u>	<u>\$1,510</u>	<u>\$1,958</u>	<u>\$1,239</u>	<u>\$7,917</u>
Total	\$0	\$0	\$0	\$0	\$0	\$5,169	\$13,186	\$13,425	\$12,345	\$9,834	\$8,003	\$8,286	\$70,248
Total Excluding SUT	\$0	\$0	\$0	\$0	\$0	\$4,831	\$12,324	\$12,546	\$11,537	\$9,190	\$7,480	\$7,744	\$65,653

**ROCKLAND ELECTRIC COMPANY**

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

	<u>Effective Prior to August 1, 2014</u>	<u>Effective August 1, 2014</u>
Amortization Period	60 Months	60 Months
Equity Ratio	49.85%	50.35%
Return on Equity	9.75%	9.75%
Equity Component	4.86%	4.91%
After-Tax WACC	7.93%	7.83%
Effective Tax Rate	40.85%	40.85%
Interest Expense	3.07%	2.92%



**Case ER09080668**

**Rockland Electric Company  
Electric Service  
Consolidated Capital Structure  
through July 31, 2014 \*  
(000's)**

	Amount (\$000's)	Ratio	Cost Rate	Weighted Average Ratio	Weighted Average Ratio
Long Term Debt	\$ 521,503	49.76%	6.16%	3.07%	3.07%
Short Term Debt	4,044	0.39%	1.50%	0.01%	0.01%
Common Equity	522,465	49.85%	9.75%	4.86%	8.23%
Total	<u>\$ 1,048,012</u>	<u>100%</u>		<u>7.93% *</u>	<u>11.30%</u>

\* Per Board Order dated April 23, 2014 in Docket No. ER13060535, the Company was directed to set the Weighted Average Cost of Capital ("WACC") to 7.93% until Board approval of new WACC in a subsequent Rate Case.





**Case ER13111135**  
**Rockland Electric Company**  
**Electric Service**  
**Settlement Agreement**  
**Consolidated Capital Structure**  
**For Twelve Months Ending March 31, 2014**  
**(000's)**

	Amount (\$000's)	Ratio	Cost Rate	Weighted Average Ratio	Weighted Average Ratio
Long Term Debt	\$ 603.6	49.65%	5.89%	2.92%	2.92%
Common Equity	612	50.35%	9.75%	4.91%	8.31%
Total	\$ 1,215.8	100%		7.83%	11.24%

**ROCKLAND ELECTRIC COMPANY**

**Low Income Audit II Program Component of RGGI Surcharge  
2015 Revenue Requirement  
Revenue Requirement For Use in Calculation of (Over)/Under Collection**

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



**ROCKLAND ELECTRIC COMPANY**

**Low Income Audit II Program Component of RGGI Surcharge  
2016 Projection of Revenue Requirement  
Revenue Requirement For Use in Calculation of (Over)/Under Collection**

	<u>Jan-15</u> <u>Estimate</u>	<u>Feb-15</u> <u>Estimate</u>	<u>Mar-15</u> <u>Estimate</u>	<u>Apr-15</u> <u>Estimate</u>	<u>May-15</u> <u>Estimate</u>	<u>Jun-15</u> <u>Estimate</u>	<u>Jul-15</u> <u>Estimate</u>	<u>Aug-15</u> <u>Estimate</u>	<u>Sep-15</u> <u>Estimate</u>	<u>Oct-15</u> <u>Estimate</u>	<u>Nov-15</u> <u>Estimate</u>	<u>Dec-15</u> <u>Estimate</u>
1. Program Spending	1,000	3,500	15,000	25,500	27,125	27,125	27,125	27,125	27,125	27,125	27,125	27,125
2. Cumulative Spending	1,000	4,500	19,500	45,000	72,125	99,250	126,375	153,500	180,625	207,750	234,875	262,000
3.												
4.												
5. Gross Expenditures	1,000	4,500	19,500	45,000	72,125	99,250	126,375	153,500	180,625	207,750	234,875	262,000
6. Accumulated Amortization	<u>17</u>	<u>92</u>	<u>417</u>	<u>1,167</u>	<u>2,369</u>	<u>4,023</u>	<u>6,129</u>	<u>8,688</u>	<u>11,698</u>	<u>15,160</u>	<u>19,075</u>	<u>23,442</u>
7. Net Expenditures	983	4,408	19,083	43,833	69,756	95,227	120,246	144,813	168,927	192,590	215,800	238,558
8. Accumulated Deferred Tax	<u>402</u>	<u>1,801</u>	<u>7,796</u>	<u>17,906</u>	<u>28,495</u>	<u>38,900</u>	<u>49,120</u>	<u>59,156</u>	<u>69,007</u>	<u>78,673</u>	<u>88,154</u>	<u>97,451</u>
9. Under/(Over) Recovery Balance	582	2,608	11,288	25,927	41,261	56,327	71,125	85,657	99,920	113,917	127,646	141,107
10.												
11. Return Requirement	4	17	74	169	269	368	464	559	652	744	833	921
12. Equity Portion	2	11	46	106	169	230	291	350	409	466	522	577
13.												
14.												
15. Revenue	22	99	431	993	1,588	2,181	2,771	3,359	3,945	4,528	5,108	5,686
16.												
17. Expenses:												
18. Amortization	17	75	325	750	1,202	1,654	2,106	2,558	3,010	3,463	3,915	4,367
19. Administrative Costs												
20. Interest Expense	1	6	28	63	101	137	173	209	244	278	311	344
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	4	18	78	179	285	390	492	592	691	788	883	976
23. Federal and State Taxes	<u>2</u>	<u>7</u>	<u>32</u>	<u>73</u>	<u>117</u>	<u>159</u>	<u>201</u>	<u>242</u>	<u>282</u>	<u>322</u>	<u>361</u>	<u>399</u>
24. Net Income	2	11	46	106	169	230	291	350	409	466	522	577
25.												
26.												
27. Deferred Cost Recovery (from 15 above)	22	99	431	993	1,588	2,181	2,771	3,359	3,945	4,528	5,108	5,686
28. O&M	\$3,250	\$5,750	\$3,250	\$3,250	\$3,250	\$7,250	\$5,050	\$5,450	\$5,650	\$5,700	\$5,725	\$5,725
29. Total Revenue Requirement	3,272	5,849	3,681	4,243	4,838	9,431	7,821	8,809	9,595	10,228	10,833	11,411
<b>12 Month Total</b>												<b>90,013</b>

**ROCKLAND ELECTRIC COMPANY**  
**LOW INCOME AUDIT II PROGRAM**  
**BUDGETED VERSUS ACTUAL COSTS**

	<u>Jun-14</u>	<u>Jul-14</u>	<u>Aug-14</u>	<u>Sep-14</u>	<u>Oct-14</u>	<u>Nov-14</u>	<u>Dec-14</u>	<u>Spending Program</u>
<b><u>Budgeted Costs</u></b>								
Administrative	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing/Sales	0	0	0	0	0	0	0	0
Training	0	0	0	0	0	0	0	0
Rebates/Incentives	0	0	0	0	0	0	0	0
Program Implementation	0	0	0	0	0	0	0	0
Evaluation	0	0	0	0	0	0	0	0
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Actual Costs</u></b>								
Administrative	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing/Sales	0	0	0	0	0	0	0	0
Training	0	0	0	0	0	0	0	0
Rebates/Incentives	0	0	0	0	0	0	0	0
Program Implementation	0	0	0	0	0	0	0	0
Evaluation	0	0	0	0	0	0	0	0
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

\* Program was approved June 1, 2014. As per Order ER130605035, the two year budget commences from the date of the signing of the contract between the Company and the contractor selected by the Company.

**Rockland Electric Company  
Regional Greenhouse Gas Initiative (RGGI) - Low Income Audit II Program  
Account # 15125 Regulatory Asset Analysis**

**Low Income Audit II**

<b>Year / Month</b>	
<b><u>2014</u></b>	
<b>June</b>	<b>0.00</b>
<b>July</b>	<b>0.00</b>
<b>August</b>	<b>0.00</b>
<b>September</b>	<b>0.00</b>
<b>October</b>	<b>0.00</b>
<b>November</b>	<b>0.00</b>
<b>December</b>	<b>0.00</b>
<b>Total</b>	<b>0.00</b>

**Rockland Electric Company  
Proposed Economic Stimulus Programs  
Date - Period Ending 12/31/2014**

<b>Program</b>	<b>Labor Creation Estimate</b>	<b>Labor Creation Actual</b>
<b>RESIDENTIAL ENERGY EFFICIENCY</b>		
Low Income Audit II Program	0.5	0.0
<b>Total</b>	0.5	0.0

**Rockland Electric Company  
Proposed Economic Stimulus Programs  
Date - Period Ending 12/31/2014**

Program	Projected Participants	Actual Participants
<b>RESIDENTIAL ENERGY EFFICIENCY</b>		
Low Income Audit II Program and Install	100	0

## ROCKLAND ELECTRIC COMPANY

## Administrative Costs Associated with Low Income Audit II Program

USF Low Income Audit II Program

Date	Activity Name	Provider Section	Admin
Jun 2014	PROVIDE PROGRAM ADMIN SUPPORT	2860-CUST SVC - CUST ENERGY SVCS	\$0.00
Jul 2014	PROVIDE PROGRAM ADMIN SUPPORT	2860-CUST SVC - CUST ENERGY SVCS	\$0.00
Aug 20014	PROVIDE PROGRAM ADMIN SUPPORT	2860-CUST SVC - CUST ENERGY SVCS	\$0.00
Sep 2014	PROVIDE PROGRAM ADMIN SUPPORT	2860-CUST SVC - CUST ENERGY SVCS	\$0.00
Oct 2014	PROVIDE PROGRAM ADMIN SUPPORT	2860-CUST SVC - CUST ENERGY SVCS	\$0.00
Nov 2014	PROVIDE PROGRAM ADMIN SUPPORT	2860-CUST SVC - CUST ENERGY SVCS	\$0.00
Dec 2014	PROVIDE PROGRAM ADMIN SUPPORT	2860-CUST SVC - CUST ENERGY SVCS	\$0.00
<b>Total</b>			\$0.00