



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

April 1, 2025

Honorable Sherri L. Lewis
Secretary of the Board
State of New Jersey Board of Public Utilities
44 South Clinton Avenue, 1st Floor
PO Box 350
Trenton, New Jersey 08625-0350

Re: Rockland Electric Company's Annual Societal
Benefits Charge Filing Reconciling Costs for the 12
Months Ending July 31, 2025 and Estimating Costs
for the 12 Months Ending July 31, 2026
BPU Docket No: _____

Dear Secretary Lewis:

Rockland Electric Company ("RECO" or "the Company") hereby submits for filing with the Board of Public Utilities (the "Board") Leaf No. 56 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. 33 of the Electric Tariff, which requires the submission of an annual filing to reconcile any over- or under-recovered balances recovered through the Societal Benefits Charge ("SBC") and to provide for current program cost recovery.

Specifically, paragraphs (1), (2), and (4) of General Information Section No. 33 provide that the SBC shall include current costs and any refund or recovery of prior period over- or under-collection balances relating to (a) the Company's demand-side management programs ("DSM Programs"); (b) the Clean Energy Program; and (c) Uncollectible Expense. In accordance with General Information Section No. 33 of the Electric Tariff, the rate component of the SBC relating to the DSM Programs and the Clean Energy Program, and the rate component of the SBC relating to Uncollectible Expense are to be reflected in the SBC effective August 1. As noted in General Information Section No. 33, the SBC also provides for the recovery of costs relating to the Universal Service Fund and Lifeline. In contrast to the rate components of the SBC relating to the DSM Programs and the Clean Energy Program and Uncollectible Expense, the Universal Service Fund and Lifeline rate components of the SBC, 0.2212 ¢/kWh and 0.0757 ¢/kWh including Sales and Use Tax ("SUT"), remain unchanged.

Enclosed are the Company's workpapers detailing the reconciliation and calculation of the rate components of the SBC relating to the DSM and Clean Energy Programs and Uncollectible Expense. The result of this reconciliation is: (1) a decrease in the DSM and Clean Energy Program rate component of the SBC from the currently effective rate of 0.3509 ¢/kWh to a rate of 0.3151 ¢/kWh, including SUT; and (2) an increase in the Uncollectible Expense rate component from the currently effective rate of 0.0316 ¢/kWh to a rate of 0.0970 ¢/kWh.

The resulting proposed SBC set forth on Leaf No. 56 is 0.7090 ¢/kWh, including SUT. This rate reflects (1) a 0.3051 ¢/kWh rate component, including SUT, for forecast DSM and Clean Energy Program spending for the twelve-month period ending July 31, 2026 of \$4,711,955;¹ (2) a 0.010 ¢/kWh rate component, including SUT, reflecting an under-collection of \$154,661 in DSM and Clean Energy Program spending for the period August 1, 2024 through July 31, 2025; (3) a 0.0422 ¢/kWh rate component, including SUT, for forecast Uncollectible Expense for the twelve-month period ending July 31, 2026 of \$652,985 ; (4) a 0.0548 ¢/kWh rate component, including SUT, reflecting an under-collection of \$845,898 in Uncollectible Expense; (5) a 0.2212 ¢/kWh rate component, including SUT, relating to Universal Service Fund; and (6) a 0.0757 ¢/kWh rate component, including SUT, relating to Lifeline.

The revised SBC is proposed to become effective August 1, 2025.

Because of the proposed increase in the combined DSM and Clean Energy Program and Uncollectible Expense components of the SBC, RECO has appended hereto a form of Notice of Filing and of Public Hearings. This form of notice sets forth the requested changes and will be placed in a newspaper having a circulation within the Company's service territory.²

Please note that the Company is making this filing solely in electronic form pursuant to the Board's directive in its Emergency Order dated March 19, 2020 in BPU Docket No. EO20030254.

Questions regarding this filing can be directed to Yan Flishenbaum at (212) 460-4627.

Sincerely,

/s/ William A. Atzl, Jr.

Director – Rate Engineering

¹ Since the Board has not yet approved Clean Energy Program spending beyond June 2025, the Company's projected Clean Energy Program spending for the twelve month period ending July 2026, as shown on page 5 of 7 of the enclosed work papers, reflects the fiscal year 2025 amounts approved by the BPU in its Order dated June 27, 2024 in BPU Docket No. QO24040223.

² The Company and Board Staff will consult and determine the dates and times for the public hearings, which dates and times will be included in the form of notice placed in the newspaper.

ROCKLAND ELECTRIC COMPANY

**Determination of Demand Side Management and Clean Energy Program Component
& Uncollectible Expense Component of the Societal Benefits Charge ("SBC")
for Service Rendered on or after August 1, 2025**

<u>SBC Rate Components</u>	Rate Incl. RA; Excl. SUT (¢/kWh)	Rate Incl. RA & SUT (¢/kWh)
DSM/Clean Energy Programs	0.2955	0.3151
Universal Service Fund	0.2075	0.2212
Lifeline	0.0710	0.0757
Uncollectible Expense	<u>0.0910</u>	<u>0.0970</u>
Total	0.6650	0.7090

ROCKLAND ELECTRIC COMPANY

**Determination of Demand Side Management and Clean Energy Program
Components of the Societal Benefits Charge ("SBC")¹**

Reconciliation of DSM /CEP SBC for the Period August 1, 2024 - July 31, 2025

Demand Side and Clean Energy Recoveries: (08/01/24 - 07/31/25) - See Page 4	\$5,221,607
SBC DSM and Clean Energy Costs, for the period (08/01/24 - 07/31/25) - See Page 4	4,731,348
Prior Period Reconciliation (Over)/Under Recovery - See Page 4	627,464
Total Demand Side and Clean Energy SBC Costs to be Recovered (08/01/24 - 07/31/25)	5,358,812
Demand Side and Clean Energy SBC (Over)/Under Recovery Balance	137,206
Interest (Over)/Under Recovery Balance - See Page 4	<u>17,455</u>
Total Demand Side and Clean Energy SBC (Over)/Under Recovery Balance for 12 months ended July 31, 2025	\$154,661

Determination of Demand Side and Clean Energy SBC

Projected Sales (kWh) 12 months ending July 31, 2026	1,646,943,471
\$ per kWh Demand Side and Clean Energy Reconciliation to be (Refunded)/Surcharged	\$0.000094
Projected Demand Side and Clean Energy Spending - 12 months ending July 31, 2026 - See Page 5	\$4,711,955
\$ per kWh Projected Spending to be Surcharged	\$0.002861
Proposed Demand Side and Clean Energy SBC Excluding SUT (\$ per kWh)	\$0.002955
Sales and Use Tax ("SUT")	1.06625
<u>Proposed DSM/Clean Energy SBC Including SUT (\$ per kWh)</u>	<u>\$0.003151</u>

Notes: ¹ Rate component of SBC relating to recovery of demand-side management ("DSM") and the Clean Energy Program as described in paragraph (1) on Leaf No. 57 of the RECO Schedule for Electric Service, B.P.U. No. 3 - Electricity. Does not include the costs and the associated rate components of the SBC relating to the Universal Service Fund, Lifeline, and Uncollectible Expense.

ROCKLAND ELECTRIC COMPANY

**Determination of Uncollectible Expense
Component of the Societal Benefits Charge ("SBC")¹**

Reconciliation of Uncollectible Expense SBC for the Period August 1, 2024 - July 31, 2025

Uncollectibles Recoveries: (08/01/24 - 07/31/25) - See Page 6	\$469,643
SBC Uncollectible Expense Costs for the period (08/01/24 - 07/31/25) - See Page 6	584,106
Prior Period Reconciliation (Over)/Under Recovery - See Page 6	296,906
2022 and 2023 Overcapped Uncollectible Amortization - See Page 6	241,399
2024 Overcapped Uncollectible Amortization -See Page 6	172,985
Total Uncollectibles SBC Costs to be Recovered (08/01/24 - 07/31/25)	1,295,397
Uncollectibles Expense SBC (Over)/Under Recovery Balance	825,753
Interest (Over)/Under Recovery Balance - See Page 6	<u>20,145</u>
Total Uncollectibles SBC (Over)/Under Recovery Balance for 12 months ended July 31, 2025	\$845,898

Determination of Uncollectible Expense SBC

Projected Sales (kWh) 12 months ending July 31, 2026	1,646,943,471
\$ per kWh Uncollectible Expense Reconciliation to be (Refunded)/Surcharged	\$0.000514
Projected Uncollectible Expenses - 12 months ending July 31, 2026 - See Page 7	\$480,000
2024 Overcapped Uncollectible Amortization - See Page 7	\$172,985
Total Projected Uncollectibles SBC Costs to be Recovered - 12 months ending July 31, 2026	652,985
\$ per kWh Projected Spending to be Surcharged	\$0.000396
Proposed Uncollectible Expense SBC Excluding SUT (\$ per kWh)	\$0.000910
Sales and Use Tax ("SUT")	1.06625
<u>Proposed Uncollectible Expense SBC Including SUT (\$ per kWh)</u>	<u>\$0.000970</u>
Amounts Deferral for Future Collection- Current Filing ²	\$17,957

Notes: ¹ Rate component of SBC relating to recovery of Uncollectible Expenses as described in paragraph (3) on Leaf No. 57 of the RECO Schedule for Electric Service, B.P.U. No. 3 - Electricity. Does not include the costs and the associated rate components of the SBC relating to the Universal Service Fund, Lifeline, DSM, and Clean Energy Program.

² Monthly uncollectibles are capped at \$80,000 per month per Stipulation of Settlement in BPU Docket No. ER22040245 and BPU Docket No. ER23030200. The differences between the cap and the actuals are deferred for future collection. The accumulated deferred balance for future collection in the 2026 filing is \$17,957.

ROCKLAND ELECTRIC COMPANY

**Determination of Demand Side Management and Clean Energy Program Components of the Societal Benefits Charge ("SBC")
August 2024 through July 2025 Cost Recovery Period**

RECO	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	
SBC Recoveries	\$604,941	\$450,877	\$367,266	\$339,305	\$408,938	\$442,524	\$454,016	\$382,296	\$370,095	\$364,762	\$465,233	\$571,355	\$5,221,607
Prior Period Reconciliation Adj. ¹	627,464	0	0	0	0	0	0	0	0	0	0	0	627,464
Legacy Program Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
CEP Program Costs	414,439	502,975	504,385	466,378	372,754	330,605	367,457	411,633	358,700	349,499	334,557	317,964	4,731,348
Total Program Costs	\$1,041,903	\$502,975	\$504,385	\$466,378	\$372,754	\$330,605	\$367,457	\$411,633	\$358,700	\$349,499	\$334,557	\$317,964	\$5,358,812
Interest - (Over)/Under Recovery	1,246	1,313	1,579	2,171	2,049	1,758	1,510	1,497	1,466	1,424	1,067	375	17,455
Total Program Costs Incl. Adjs. & Interest	\$1,043,149	\$504,288	\$505,964	\$468,549	\$374,803	\$332,363	\$368,967	\$413,130	\$360,166	\$350,923	\$335,624	\$318,339	\$5,376,267
(Over)/Under Recovery	\$438,208	\$53,411	\$138,698	\$129,244	(\$34,135)	(\$110,161)	(\$85,049)	\$30,834	(\$9,929)	(\$13,839)	(\$129,608)	(\$253,015)	\$154,661
Interest Rate (%) ²	4.76%	4.48%	4.21%	4.81%	4.77%	4.85%	4.86%	4.56%	4.56%	4.56%	4.56%	4.56%	

Notes: ¹ Under Recovery for the period August 1, 2023 through July 31, 2024 as per updated final balance from prior year's filing.

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

ROCKLAND ELECTRIC COMPANY

**Determination of Demand Side Management and Clean Energy Program Components
of the Societal Benefits Charge ("SBC")**

Projected Costs: August 2025 - July 2026 (1)

<u>Month</u>	<u>Clean Energy ⁽²⁾</u>	<u>Legacy</u>	<u>Total</u>
Aug-25	\$395,047	\$0	\$395,047
Sep-25	502,975	0	502,975
Oct-25	504,385	0	504,385
Nov-25	466,378	0	466,378
Dec-25	372,754	0	372,754
Jan-26	330,605	0	330,605
Feb-26	367,457	0	367,457
Mar-26	411,633	0	411,633
Apr-26	358,700	0	358,700
May-26	349,499	0	349,499
Jun-26	334,557	0	334,557
Jul-26	<u>317,964</u>	<u>0</u>	<u>317,964</u>
Total	\$4,711,955	\$0	\$4,711,955

Notes: ¹ Rate component of SBC relating to recovery of demand-side management ("DSM") and Clean Energy Program costs as described in paragraphs (1) and (2) on Leaf No. 56 of the RECO Schedule for Electric Service, B.P.U. No. 3 - Electricity. Does not include costs associated with USF, Lifeline, and Uncollectible Expense.

² The Company's projected Clean Energy Program spending for the twelve month period ending July 2025 reflects the FY25 amounts approved by the BPU in Clean Energy Order *In the Matter of the Comprehensive Energy Efficiency And Renewable Energy Resource Analysis For Fiscal year 2025 Clean Energy Program*, Docket No. QO24040223 dated June 27, 2024.

ROCKLAND ELECTRIC COMPANY

**Determination of Uncollectible Expense Component of the Societal Benefits Charge ("SBC")
August 2024 through July 2025 Cost Recovery Period**

<u>RECO</u>	Aug-24 Actual	Sep-24 Actual	Oct-24 Actual	Nov-24 Actual	Dec-24 Actual	Jan-25 Actual	Feb-25 Actual	Mar-25 Estimate	Apr-25 Estimate	May-25 Estimate	Jun-25 Estimate	Jul-25 Estimate	Total
SBC Uncollectibles Recoveries	\$54,410	\$40,553	\$33,033	\$30,518	\$36,781	\$39,802	\$40,835	\$34,385	\$33,287	\$32,808	\$41,844	\$51,389	\$469,643
Prior Period Reconciliation Adj. ¹	296,906	0	0	0	0	0	0	0	0	0	0	0	296,906
2022 and 2023 Overcapped Uncollectible Amortization ³	20,117	20,117	20,117	20,117	20,117	20,117	20,117	20,117	20,117	20,117	20,117	20,117	241,399
2024 Overcapped Uncollectible Amortization ⁴	14,415	14,415	14,415	14,415	14,415	14,415	14,415	14,415	14,415	14,415	14,415	14,415	172,985
Uncollectibles Expense ⁵	30,803	46,075	73,459	80,000	80,000	51,925	21,844	40,000	40,000	40,000	40,000	40,000	584,106
Total Program Costs	\$362,241	\$80,607	\$107,991	\$114,532	\$114,532	\$86,457	\$56,376	\$74,532	\$74,532	\$74,532	\$74,532	\$74,532	\$1,295,397
Interest - (Over)/Under Recovery	878	934	1,066	1,461	1,671	1,834	1,883	1,877	1,989	2,103	2,193	2,256	20,145
Total Program Costs Incl. Adjs. & Interest	\$363,119	\$81,541	\$109,057	\$115,993	\$116,203	\$88,291	\$58,259	\$76,409	\$76,521	\$76,635	\$76,725	\$76,788	\$1,315,542
(Over)/Under Recovery	\$308,709	\$40,988	\$76,025	\$85,475	\$79,422	\$48,489	\$17,424	\$42,024	\$43,234	\$43,827	\$34,881	\$25,399	\$845,898
Interest Rate (%) ²	4.76%	4.48%	4.21%	4.81%	4.77%	4.85%	4.86%	4.56%	4.56%	4.56%	4.56%	4.56%	

Notes: ¹ Under recovery for the period August 1, 2023 through July 31, 2024 as per updated final balance from prior year's filing.

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

³ Overcapped 2022 and 2023 Uncollectible Expense of \$482,798 subject to two-year amortization of \$241,399 per year to be recovered during 12 month periods ended July 2024 and July 2025 per Stipulation of Settlement in BPU Docket Nos. ER22040245 and ER23030200

⁴ Overcapped 2024 Uncollectible Expense of \$345,970 subject to two-year amortization methodology established in Stipulation of Settlement BPU Docket Nos. ER22040245 and ER23030200. \$172,985 per year will be recovered during 12 month periods ended Jul 2025 and Jul 2026

⁵ Monthly uncollectibles are capped at \$80,000 per month per Stipulation of Settlement BPU Docket No. ER22040245 and BPU Docket No. ER23030200

ROCKLAND ELECTRIC COMPANY

**Determination of Uncollectible Expense Component
of the Societal Benefits Charge ("SBC")**

Projected Costs: August 2025 - July 2026 (1)

<u>Month</u>	<u>Uncollectible Expense</u>	<u>2024 Overcapped Uncollectible Amortization ²</u>	<u>Total</u>
Aug-25	\$40,000	\$14,415	\$54,415
Sep-25	40,000	14,415	54,415
Oct-25	40,000	14,415	54,415
Nov-25	40,000	14,415	54,415
Dec-25	40,000	14,415	54,415
Jan-26	40,000	14,415	54,415
Feb-26	40,000	14,415	54,415
Mar-26	40,000	14,415	54,415
Apr-26	40,000	14,415	54,415
May-26	40,000	14,415	54,415
Jun-26	40,000	14,415	54,415
Jul-26	<u>40,000</u>	<u>14,415</u>	54,415
Total	\$480,000	\$172,985	\$652,985

Notes: ¹ Rate component of SBC relating to recovery of uncollectible expense costs as described in paragraph (3) on Leaf No. 57 of the RECO Schedule for Electric Service, B.P.U. No. 3 -- Electricity. Does not include costs associated with DSM, Clean Energy Programs, USF, and Lifeline.

² Overcapped 2024 Uncollectible Expense of \$345,970 subject to two-year amortization methodology established in Stipulation of Settlement BPU Docket Nos. ER22040245 and ER23030200. \$172,985 per year will be recovered during 12 month periods ended Jul 2025 and Jul 2026

DRAFT

Revised Leaf No. 56
Superseding Revised Leaf No. 56

GENERAL INFORMATION

No. 33 SOCIETAL BENEFITS CHARGE ("SBC")

The SBC shall be applied to the kWh usage on the bills of all customers served under this Schedule. The SBC shall include costs, including current costs and any refund or recovery of prior period over- or under-collection balances, related to:

- (1) demand-side management ("DSM"), including the costs associated with DSM programs and DSM bidding programs;
- (2) Clean Energy Program, ("CEP");
- (3) Universal Service Fund and Lifeline; and
- (4) Uncollectible Expense

The SBC to be effective on and after the date indicated below shall be set at 0.6794 cents per kWh, including sales and use tax ("SUT"). The SBC includes the following rate components:

	SBC Rate Components (¢ per kWh)	
	Excluding SUT	Including SUT
DSM & CEP	0.32940.2955	0.35090.3151
Universal Service Fund	0.2075	0.2212
Lifeline	0.0710	0.0757
Uncollectible Expense	0.02960.0910	0.03160.0970
Total SBC	0.63720.6650	0.67940.7090

The difference between actual costs incurred by the Company for the SBC components described above and SBC recoveries will be deferred, with interest, for future recovery in accordance with the Company's Plan for Resolution of Proceedings approved by the Board in its Summary Order dated July 28, 1999 and Final Order dated July 22, 2002 in Docket Nos. EO97070464, EO97070465 and EO97070466.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Michele O'Connell, President
Mahwah, New Jersey 07430

DRAFT

Revised Leaf No. 56
Superseding Revised Leaf No. 56

GENERAL INFORMATION

No. 33 SOCIETAL BENEFITS CHARGE ("SBC")

The SBC shall be applied to the kWh usage on the bills of all customers served under this Schedule. The SBC shall include costs, including current costs and any refund or recovery of prior period over- or under-collection balances, related to:

- (1) demand-side management ("DSM"), including the costs associated with DSM programs and DSM bidding programs;
- (2) Clean Energy Program, ("CEP");
- (3) Universal Service Fund and Lifeline; and
- (4) Uncollectible Expense

The SBC to be effective on and after the date indicated below shall be set at 0.6794 cents per kWh, including sales and use tax ("SUT"). The SBC includes the following rate components:

	SBC Rate Components (¢ per kWh)	
	Excluding SUT	Including SUT
DSM & CEP	0.2955	0.3151
Universal Service Fund	0.2075	0.2212
Lifeline	0.0710	0.0757
Uncollectible Expense	0.0910	0.0970
Total SBC	0.6650	0.7090

The difference between actual costs incurred by the Company for the SBC components described above and SBC recoveries will be deferred, with interest, for future recovery in accordance with the Company's Plan for Resolution of Proceedings approved by the Board in its Summary Order dated July 28, 1999 and Final Order dated July 22, 2002 in Docket Nos. EO97070464, EO97070465 and EO97070466.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Michele O'Connell, President
Mahwah, New Jersey 07430