

MAWAH, N.J. January 11, 2016 --- Rockland Electric Company has reached a settlement with the New Jersey Board of Public Utilities (NJBPU) staff and the New Jersey Division of Rate Counsel that is designed to improve electric service reliability for Rockland Electric's 72,000 customers through a three-year, \$15.7-million electric system storm hardening capital program. The settlement is subject to approval by a vote of the NJBPU.

The program will expand the installation in the electric system of innovative smart grid technology to enhance electric service reliability, underground a targeted section of the electric system, upgrade other key parts of the overhead electric system and further protect two critical electric substations from flooding.

Rockland Electric developed this new program in response to an order by the New Jersey Board of Public Utilities (NJBPU) inviting all the state's electric utilities to submit detailed proposals for upgrades designed to protect the state's utility infrastructure from future storm events. That order was issued in the wake of the massive destruction caused by Superstorm Sandy, which devastated much of New Jersey's electric system and knocked out power to almost 90 percent of Rockland Electric's customers.

If the package of storm hardening initiatives outlined in the settlement is approved by a vote of the NJBPU Board, the typical residential customer using a monthly average of 925 kWh would see his/her monthly bill increase by an average of 69 cents or 0.4 percent in the first year of the settlement, from \$168.63 to \$169.32. That increase would be expected to go into effect April 1, 2017.

As the program advances and additional investments for this program are made in the system, the bills also would increase modestly in the second and third years of the plan. Estimates of those increases are driven by the amount of the previous year's program capital investments.

The new storm hardening program plans a number of service reliability improvement projects. Here are the details:

Distribution Automation/Smart Grid Expansion (\$8 million) The Company will continue to install smart grid technology into the electric system. The smart grid integrates state-of-the-art equipment and technology with advances in computer analysis, communications, monitoring and control to significantly enhance system reliability, efficiency, communication with customers and overall quality of service.

Selective Undergrounding (\$5.1 million) This project provides for the installation of a new circuit consisting of approximately 8,500 feet of underground construction from the West Milford substation along Marshall Hill Road to Ridge Road (just south of Union Valley Road). A second circuit, which exits the West Milford substation and runs approximately 5,000 feet as an overhead circuit heading west along Marshall Hill Road will be relocated underground from the substation to the intersection of Macopin Road and Union Valley Road.

Overhead System Upgrades (\$2.3 million) Improvements encompass five separate projects:

- **Harrington Park** - Harriet Avenue (Schraalenburgh to Bogert Mill). This \$800,000 project involves the replacement of approximately 5,500 feet of overhead wire with more resilient cable and the installation of more robust poles.
- **Old Tappan** - Old Tappan Road. This \$300,000 project involves the replacement of approximately 2,500 feet of overhead wire with more resilient cable and the installation of more robust poles.
- **Closter** - Cedar Lane. This \$300,000 project involves the replacement of approximately 2,000 feet of overhead wire with more resilient cable and the installation of more robust poles.
- **Oakland** - Chuckanut Drive. This \$400,000 project involves the replacement of approximately 1,800 feet of overhead wire with more resilient cable and the installation of more robust poles.
- **Wyckoff** - Godwin Avenue. This \$500,000 project involves the replacement of approximately 2,600 feet of overhead wire with more resilient cable and the installation of more robust poles.

Substation Flood Mitigation (\$300,000) The Company will purchase a Muscle Wall Flood and Containment Solution that will be stored and pre-positioned as needed to divert flood waters from the Cresskill and Upper Saddle River substations.

Rockland Electric Company currently operates and maintains 14 distribution substations, 854 miles of overhead distribution lines, 586 conductor miles of underground distribution and 83 distribution circuits.

The Company is an electric utility serving parts of northern Bergen (57,328 customers) and Passaic (13,242 customers) counties and small sections of Sussex County (330 customers) in New Jersey. Rockland Electric is a wholly owned subsidiary of Orange and Rockland Utilities, Inc., which in turn is owned by Consolidated Edison, Inc.

Bergen County communities served by Rockland Electric Company are: Allendale, Alpine, Closter, Cresskill, Demarest, Franklin Lakes, Harrington Park, Haworth (part), Mahwah, Montvale, Northvale, Norwood, Oakland, Old Tappan (part), Ramsey, River Vale (part), Rockleigh, Saddle River (part), Upper Saddle River and Wyckoff (part).

Passaic County communities served by Rockland Electric Company are: Ringwood (part) and West Milford (part).

Rockland Electric Company also serves portions of the Sussex County communities of Montague, Vernon and Wantage.