

PSC NO: 219 GAS

LEAF: 122.1

NIAGARA MOHAWK POWER CORPORATION

REVISION: 5

INITIAL EFFECTIVE DATE: 04/01/10

SUPERSEDING REVISION: 4

STAMPS: Issued in compliance with Order in C.07-M-0548 & 09-G-0363 dated January 4, 2010

GENERAL INFORMATION**31. SYSTEM BENEFITS CHARGE:**

A System Benefits Charge (SBC) will recover costs associated with the Company's energy efficiency programs. Such costs, including program costs, and performance-based incentives, are recoverable through the SBC pursuant to the Commission's Orders in Cases 07-M-0548 and 09-G-0363.

The Company will calculate the SBC by dividing the annual energy efficiency dollars, plus (minus) any over or undercollections from prior years, including carrying charges, by the projected volumes from the following firm service classifications: 1, 2, 3, 5, 7 and 8.

Residential energy efficiency program costs will be recovered from customers served under Service Classification No. 1. Commercial and industrial energy efficiency program costs will be recovered from customers served under Service Classification Nos. 2, 3, 5, 7 and 8.

The effective rate shall be set forth on a statement and filed with the Public Service Commission apart from this rate schedule not less than three (3) days prior to the date on which the statement is proposed to be effective.

Issued By: Thomas B. King, President, Syracuse, New York