

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: APRIL 27, 2009

LEAF: 221
REVISION: 0
SUPERSEDING REVISION:

GENERAL INFORMATION

41. ADJUSTMENT OF CHARGES PURSUANT TO THE SYSTEM BENEFITS CHARGE

41.1 The System Benefits Charge (SBC) is a mechanism which permits the Company to recover from customers costs associated with public policy programs including Demand-Side Management, Research and Development, and low income energy efficiency.

41.2 Service bills rendered to customers taking service under P.S.C. Nos. 220 and 214 Electricity are subject to the System Benefits Charge regardless of supplier, except:

- (i) load served by NYPA as provided in
 - a. Rule 34.5.3.5.1,
 - a. SC No 4-Special Provision H,
 - b. SC No 3-Special Provision G, or
- (ii) load served under the Empire Zone Rider as described in
 - a. Rule 34.3.2.2 and
 - b. Rule 34.3.3.2, or
- (iii) as established by contract under the SC-11 or SC-12 tariff as described in
 - a. SC No. 11 - Adjustments and Surcharges and
 - b. SC No. 12 – Section 5.2.3.

41.2.1 Certain NYPA allocations are subject to the System Benefits Charge. These allocations include Economic Development Power (EDP) above the allocated 46 MW, and all deliveries of High Load Factor Fitzpatrick Power not specifically enumerated on Schedule A to the Agreement Among Niagara Mohawk Power Corporation, the New York Power Authority, and the Department of Public Service Resolving and Settling Certain Disputes dated May 22, 1997 or otherwise authorized by that Settlement Agreement.

41.2.2 Customers may elect to pay SBC on any exempt load as described in Rule 41.3 below

41.3 Customer' loads that are exempt from the SBC under Rule 41.2, may voluntarily elect to pay the SBC on that load, by providing written notice to the Company, thus becoming eligible, if not currently eligible, for the programs mentioned in Rule 41.1. Once a customer voluntarily elects to become subject to the SBC (or to have any exempt load subject to the SBC), such election is irreversible for the duration of time that the Company provides delivery service to the customer. The SBC shall be applied to the customer's total billed kWh on their service bill.

41.4 System Benefits Charge rates will be stated in cents per kWh.

41.5 The System Benefits Charge rate shall be shown on statements filed with the Public Service Commission apart from this rate schedule not less than three (3) days before its effective date. Such statements will be available to the public by contacting the Company's Customer Service Center where applications for service may be made.

41.6 Customers subject to or who elect to pay the SBC are also subject to Rule No. 49-Renewable Portfolio Surcharge (RPS).

Issued by Thomas B. King, President, Syracuse, NY