

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: JANUARY 1, 2016
STAMPS: Issued in Compliance with Order of PSC in Case 07-M-0548/15-M-0252 issued June 19, 2015

LEAF: 218
REVISION: 3
SUPERSEDING REVISION: 2

GENERAL INFORMATION

40. ADJUSTMENT OF CHARGES PURSUANT TO THE COMPANY ADMINISTERED ENERGY EFFICIENCY SURCHARGE

40.1 In accordance with the Public Service Commission's "Order Authorizing Utility-Administered Gas Energy Efficiency Portfolios for Implementation beginning January 1, 2016" (issued and effective June 19, 2015) in Cases 07-M-0548 and 15-M-0252, the Energy Efficiency Surcharge (EES) is a mechanism which permits the Company will recover the cost of energy efficiency programs conducted by the Company.

40.1.1 The Company will calculate the EES by dividing the annual authorized budgeted dollars for these programs by the applicable forecasted sales in accordance with Rule 40.2 below.

40.1.2 On an annual basis, the Company will reconcile actual recoveries collected with the authorized budgets, offset by any over recoveries of EEPS 1 and EEPS 2 funding which will reduce the collections in the authorized budgets.

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

- (i) load served by NYPA except as provided in Rule 41.2.1,
- (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) load served under the Recharge New York Program as provided in Rule 34.6
- (iii) as established by contract under the or SC-12 tariff as described in SC No. 12 – Sections 5.4.3 and 6.2.3.

40.2.1 Certain NYPA allocations are subject to the EES. 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.

40.2.2 Customers may elect to pay EES on any exempt load as described in Rule 40.3 below.

40.2.3 Customers who have load served by NYPA are exempt from the EES on the NYPA portion of their load, except as provided in Rule 40.2.1. Customers will be assessed the EES on any non-NYPA portion of their load and would thus qualify to participate in the energy efficiency programs mentioned in Rule No. 40.1.

Issued by Kenneth D. Daly, President, Syracuse, NY