

PSC NO: 219 GAS  
NIAGARA MOHAWK POWER CORPORATION  
INITIAL EFFECTIVE DATE: 01/01/16  
STAMPS: Issued in compliance with Order in Case 07-M-0548/15-M-0252 dated June 18, 2015

LEAF: 122.1  
REVISION: 6  
SUPERSEDING REVISION: 5

### GENERAL INFORMATION

#### 31. ENERGY EFFICIENCY PROGRAM CHARGES:

##### 31.1 System Benefits Charge:

A System Benefits Charge (SBC) will recover costs associated with energy efficiency programs and clean energy activities conducted by NYSERDA . 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 , 09-G-0363 and 15-M-0252.

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.

##### 31.2 Energy Efficiency Surcharge (EES):

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 to recover from customers the costs of implementing the Company's energy efficiency programs. The EES is applicable to Service Classification Nos. 1, 2, 3, 5, 7 and 8

On an annual basis, the Company will reconcile actual recoveries collected with allowed budgets

##### 31.3 Statement of System Benefits Charge:

The Statement of System Benefits Charge will be 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 and will set forth the following charges.

1. System Benefits Charge
2. Energy Efficiency Surcharge

Issued By: Kenneth D. Daly, President, Syracuse, New York