

PSC NO. 90 Gas

NEW YORK STATE ELECTRIC & GAS CORPORATION

Initial Effective Date: 03/01/16

Issued in compliance with Order in Cases 14-M-0094, 10-M-0457, 07-M-0548, 03-E-0188, and 13-M-0412, dated January 21, 2016.

Issued in compliance with Order in Case 15-M-0252 dated January 22, 2016.

Leaf : 105

Revision: 7

Superseding Revision: 6

GENERAL INFORMATION**19. INTEREST ON CUSTOMER OVERPAYMENTS:**

The Company shall provide interest on customer overpayments in accordance with 16 NYCRR Part 277.

A customer overpayment is defined as payment by the customer to the Company in excess of the correct charge for gas service supplied to the customer which was caused by erroneous billing by the Company.

The rate of interest on customer overpayments shall be the greater of the unadjusted customer deposit rate specified by the Commission or the applicable late payment rate, if any, for the service classification under which the customer was billed. Interest shall be paid from the date when the customer overpayment was made, adjusted for any changes in the deposit rate or late payment rate, compounded monthly, until the date when the overpayment was refunded.

The Company shall be required to pay interest, in the manner described above, on any refund returned to a customer, except where customer overpayments are refunded within 30 days after such overpayment was received by the Company.

20. SYSTEM BENEFITS CHARGE (SBC):

A System Benefit Charge (SBC) recovers costs associated with clean energy activities conducted by the New York State Energy Research and Development Authority (NYSERDA) and energy efficiency programs implemented by the Company. The SBC is collected from the following:

- (1) Service Classification Nos. 1, 5, 7, 13, 14, 15, 16, and 19 of P.S.C. No. 88 Gas, or superseding issues thereof; and
- (2) Service Classification Nos. 1, 2, 5, 9, 10, and 11 of P.S.C. No. 87 Gas, or superseding issues thereof.

On an annual basis, the SBC Statement shall be filed on not less than 15 days' notice to become effective January 1st. Such statement may be found at the end of each Schedule (P.S.C. No. 87 – Gas and P.S.C. No. 88 - Gas). The statement shall set forth the following surcharge rates:

A. Energy Efficiency Portfolio Standard (EEPS):

Beginning on March 1, 2016, the EEPS surcharge rate collects funds associated with gas clean energy activities administered by NYSERDA and includes the following program activities that were in effect prior to 2016: System Benefits Charge and over- or under-collections associated with EEPS programs administered by the Company. The surcharge rate shall be calculated by dividing the necessary collections by the projected annual therm sales. Necessary collections shall include:

1. Annual authorized collections for NYSERDA administered programs, plus or minus any under- or over-collections for prior years.
2. Any under- or over-collections for Company administered EEPS programs.

B. Energy Efficiency (EE) Tracker Surcharge Rate:

The EE Tracker Surcharge Rate collects funds associated with energy efficiency programs administered by the Company that were implemented beginning on January 1, 2016. The surcharge rate shall be calculated by dividing the necessary collections by the projected sales. Necessary collections shall include:

1. Annual authorized collections for Company administered programs, plus or minus any under- or over-collections for prior years and plus or minus interest earned on prior collections. (The reconciliation for under- or over-collections for Company administered programs shall begin in 2017.)

Issued by: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY