



Dawn M. Herrity
Principle Program Manager
Regulatory Pricing

December 16, 2014

VIA ELECTRONIC MAIL

Honorable Kathleen H. Burgess
Secretary
New York State Department of Public Service
Three Empire State Plaza, 19th Floor
Albany, New York 12223-1350

Re: Case 07-M-0548 – Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard

Case 09-G-0363 – Petitions for Approval of Energy Efficiency Portfolio Standard (EEPS) Gas Energy Efficiency Programs

Dear Secretary Burgess:

Enclosed please find a revised System Benefits Charge (“SBC”) Statement, issued by Niagara Mohawk Power Corporation d/b/a National Grid (hereinafter “the Company”), in compliance with the requirements of the Public Service Commission of the State of New York (“Commission”):

System Benefits Charge Statement No. 14
To PSC No. 219-GAS
Effective: January 1, 2015

The Company is updating its SBC to reflect the authorized collections in compliance with Ordering Clause No. 15 in Case 07-M-0548 dated October 25, 2011 “Order Authorizing Efficiency Programs, Revising Incentive Mechanism, and Establishing a Surcharge Schedule” (“October 25th Order”).

The SBC factor for Calendar Year 2010 was set at the EEPS authorization collections. The SBC factor for Calendar Year 2011 was set on Commission-approved EEPS budgets less the under-collection of SBC funds for the prior periods October 2008 through December 2009. For Calendar Years 2012, 2013, and 2014, the Company set the SBC factor to collect the upcoming calendar year’s authorized EEPS funds as set forth in various Commission orders. Upon further review, the Company believes the setting of the SBC factor should also include a reconciliation of authorized collections versus actual collections as reported each June 1st for the prior calendar year to the Commission. This filing seeks to revise prior periods and utilize the proper SBC factor- setting methodology going forward beginning with January 1, 2015.

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Attachment 1 lists the authorized Calendar Year 2015 collections as approved in the October 25th Order, Appendix 2 – Table 8. Attachment 2 details the prior period authorized and actual EEPS collection

If you have any questions regarding this filing, please contact me at (929) 324-4580 or Dawn.Herrity@nationalgrid.com.

Sincerely,

Dawn M. Herrity

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Principle Program Manager
Regulation & Pricing

/dh
Att.

Niagara Mohawk Power Corporation d/b/a National Grid Gas Efficiency Programs

ATTACHMENT 1

2015 EEPS Collections	Source Order Authorizing Collections	Period	2015 Amount
	Table 8; Case 07-M-0548 October 25, 2011	01/01/2015 - 12/31/2015	\$21,129,727
Total 2015 EEPS Collections			\$21,129,727

System Benefits Charge Calculation

	2015 Calendar Year Sales and Transportation (therms)	Authorized Energy Efficiency Collections	2015 SBC Surcharge (\$/therm)
<u>2015 SBC Calculation</u>			
SC 1	510,682,794	\$12,289,049	\$0.02406
SC 2, 3, 5, 7 & 8	<u>544,874,820</u>	<u>\$8,840,678</u>	\$0.01623
Total	1,055,557,614	\$21,129,727	
<u>Historial Under/(Over) Collection CY 2010 - 2013</u>			
SC 1, 2, 3, 5, 7 & 8	1,055,557,614	(\$116,786)	(\$0.00011)
<u>Interest</u>	1,055,557,614	(\$18,313)	<u>(\$0.00002)</u>
Total Under/(Over) Collection CY 2010 - 2013			(\$0.00013)
<u>Total SBC Factor Effective January 1, 2015</u>			
SC 1			\$0.02394
SC 2, 3, 5, 7 & 8			\$0.01610

Niagara Mohawk Power Corporation d/b/a National Grid Gas Efficiency Programs

ATTACHMENT 2

Historical SBC Reconciliations

2010

<u>Authorized Collections</u>	<u>Actual Collections</u>	<u>Difference</u>
\$ 12,134,598	\$ 11,557,194	\$ 577,404

2011

<u>Authorized Collections</u>	<u>Actual Collections</u>	<u>Reconciled 10/1/08 -12/31/09 Under/(Over) Collected</u>	<u>Actual - Reconciled</u>	<u>Difference</u>
\$ 17,967,060	\$ 20,512,608	\$ 1,223,084	\$ 19,289,524	\$ (1,322,464)

2012

<u>Authorized Collections</u>	<u>Actual Collections</u>	<u>Difference</u>
\$ 10,210,935	\$ 10,025,249	\$ 185,686

2013

<u>Authorized Collections</u>	<u>Actual Collections</u>	<u>Difference</u>
\$ 13,625,923	\$ 13,183,335	\$ 442,588

Under/(Over) Collected
\$ (116,786)