



Lori A. Cole
Manager – Regulatory and Tariffs

February 16, 2016

VIA ELECTRONIC FILING

Honorable Kathleen H. Burgess, Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

Re: Case 14-M-0094 – Proceeding on Motion of the Commission to Consider a
Clean Energy Fund

Case 10-M-0457 – In the Matter of the System Benefits Charge IV

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

Case 03-E-0188 – Proceeding on Motion of the Commission Regarding a
Retail Renewable Portfolio Standard

Case 13-M-0412 – Petition of the New York State Energy Research and
Development Authority to Provide Initial Capitalization for the New York
Green Bank

Case 15-M-0252 – In the Matter of Utility Energy Efficiency Programs

Dear Secretary Burgess,

New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E") (together the "Companies") hereby transmit for filing the enclosed tariff leaves in compliance with the New York State Public Service Commission's ("Commission") Order Authorizing the Clean Energy Fund Framework, issued and effective January 21, 2016 (the "CEF Order"), and Order Authorizing Utility-Administered Energy Efficiency Portfolio Budgets and Targets for 2016 – 2018, issued and effective January 22, 2016 (the "EE Order"), in the above referenced proceedings. These tariff leaves are transmitted for filing in compliance as identified herein and in accordance with the requirements of Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H).

The proposed changes are to become effective March 1, 2016. A listing of the revised tariff leaves is enclosed as Attachment A.

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Purpose of Filing

The Companies are filing tariff amendments and statements in compliance with Ordering Clauses 45, 46, and 47 of the CEF Order to implement changes in relation to the establishment of a Clean Energy Fund ("CEF") framework. The tariff amendments also incorporate changes in compliance with Ordering Clause 7 of the EE Order to clarify the EE Tracker surcharge mechanism.

Overview of the CEF Order

The CEF Order approves the CEF filed by the New York State Energy Research and Development Authority ("NYSERDA") on June 25, 2015,¹ and establishes the initial framework.

The CEF Order instructs the Companies to collect all CEF funds through their currently existing System Benefits Charge ("SBC"), including previously authorized collections of the Renewable Portfolio Standard ("RPS"), Energy Efficiency Program Standard ("EEPS") and Technology and Market Development ("T&MD") portfolio as well as incremental CEF collections². In compliance with Ordering Clauses 45, 46 and 47, the Companies are filing tariff amendments and statements to incorporate reference to the SBC supporting the CEF, to eliminate references to the RPS, and to cancel the RPS statements.

The gas SBC statements will also include new rates as established by the collection schedules contained in the CEF Order. The CEF Order approves previously authorized gas collections for the period 2016 – 2018, but adjusts the collections to be spread over a five-year period rather than a three-year period.

Overview of the EE Order

On January 1, 2016, an EE Tracker surcharge mechanism was established to recover the costs of utility energy efficiency programs.³ The EE Order clarifies that the EE Tracker surcharge was instituted to separate the utility administered energy efficiency programs from the NYSERDA run programs. The EE Tracker surcharge rate will include an annual reconciliation starting on January 1, 2017. The reconciliation shall be for the over- or under-collections due to differences in actual and forecasted sales during the previous calendar year, as well as interest accrued for the same period.

In compliance with Ordering Clause 7, the Companies are filing tariff amendments to reflect the directives as stated herein.

¹ The original CEF proposal was filed by NYSERDA on September 23, 2014 in compliance with the "Order Commencing Proceeding" (issued May 8, 2014) in Case 14-M-0094. On June 25, 2015, NYSERDA filed a CEF Information Supplement which replaced the original proposal.

² Case 14-M-0094, *et.al.*, "Errata Notice" (issued February 11, 2016).

³ Case 15-M-0252, *In the Matter of Utility Energy Efficiency Programs*, "Order Authorizing Utility-Administered Gas Energy Efficiency Portfolios for Implementation Beginning January 1, 2016" (issued June 19, 2015).

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Newspaper Publication

In accordance with Ordering Clause 49 of the CEF Order and Ordering Clause 8 of the EE Order, the requirements of 66(12)(b) of the Public Service Law requiring newspaper publication has been waived.

If you have any questions related to this filing, please contact Kelly Dietrick at 585.724.8135 or me at 607.762.8710.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Lori A. Cole".

Lori A. Cole
Manager – Regulatory and Tariffs
Rates and Regulatory Economics Dept.

Enclosures

Attachment A

NYSEG PSC No. 87 – Gas

System Benefits Charge Statement No. 12

NYSEG PSC No. 88 – Gas

System Benefits Charge Statement No. 13

NYSEG PSC No. 90 – Gas

Leaf No. 105, Revision 7

NYSEG PSC No. 120 – Electric

Leaf No. 2, Revision 15

Leaf No. 18, Revision 14

Leaf No. 21, Revision 9

Leaf No. 26, Revision 11

Leaf No. 27.1, Revision 5

Leaf No. 117, Revision 13

Leaf No. 117.2.3, Revision 6

Leaf No. 117.33, Revision 7

Leaf No. 117.42, Revision 7

Leaf No. 123, Revision 27

Leaf No. 133, Revision 27

Leaf No. 139, Revision 24

Leaf No. 142, Revision 13

Leaf No. 150, Revision 11

Leaf No. 161, Revision 16

Leaf No. 166, Revision 26

Leaf No. 167, Revision 24

Leaf No. 170, Revision 13

Leaf No. 181.1, Revision 10

Leaf No. 197, Revision 26

Leaf No. 208, Revision 28

Leaf No. 210, Revision 14

Leaf No. 221, Revision 26

Leaf No. 230, Revision 23

Leaf No. 243, Revision 14

Leaf No. 243.2, Revision 9

Leaf No. 243.4, Revision 6

Leaf No. 261, Revision 27

Leaf No. 272, Revision 29

Leaf No. 274.1, Revision 13

Leaf No. 289, Revision 42

Leaf No. 300, Revision 26

Leaf No. 310, Revision 23

Leaf No. 318, Revision 24

System Benefits Charge (SBC) Statement No. 14

NYSEG PSC No. 121 – Electric

Leaf No. 2, Revision 13
Leaf No. 14, Revision 16
Leaf No. 24, Revision 23
Leaf No. 37, Revision 24
Leaf No. 59, Revision 23
Leaf No. 64, Revision 7
System Benefits Charge (SBC) Statement No. 14

RG&E PSC No. 16 – Gas

Leaf No. 127.46.1, Revision 4
System Benefits Charge (SBC) Statement No. 12

RG&E PSC No. 18 – Electric

Leaf No. 11, Revision 13
Leaf No. 26, Revision 14
Leaf No. 26.1.1, Revision 13
Leaf No. 37, Revision 15
Leaf No. 37.1.1, Revision 14
Leaf No. 45, Revision 17
Leaf No. 45.1.1, Revision 14
System Benefits Charge (SBC) Statement No. 21

RG&E PSC No. 19 – Electric

Leaf No. 80, Revision 9
Leaf No. 80.1, Revision 2
Leaf No. 81, Revision 16
Leaf No. 85.4, Revision 4
Leaf No. 160.37.1, Revision 2
Leaf No. 160.39.2.1, Revision 2
Leaf No. 160.39.3.3, Revision 3
Leaf No. 160.39.12, Revision 10
Leaf No. 161.1, Revision 17
Leaf No. 161.2, Revision 20
Leaf No. 164, Revision 20
Leaf No. 164.1.1, Revision 16
Leaf No. 165, Revision 14
Leaf No. 166, Revision 20
Leaf No. 166.1.1, Revision 16
Leaf No. 169, Revision 14
Leaf No. 169.1, Revision 13
Leaf No. 169.2, Revision 11
Leaf No. 174, Revision 22
Leaf No. 174.3, Revision 18
Leaf No. 187, Revision 17
Leaf No. 187.3, Revision 14
Leaf No. 190, Revision 20
Leaf No. 190.3, Revision 18
Leaf No. 193, Revision 16

Leaf No. 193.1, Revision 16
Leaf No. 193.1.1, Revision 12
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Leaf No. 199.1, Revision 10
Leaf No. 199.2, Revision 7
Leaf No. 199.3, Revision 6
Leaf No. 200, Revision 14
Leaf No. 210, Revision 19
Leaf No. 210.2, Revision 18
Leaf No. 213, Revision 14
Leaf No. 213.1, Revision 11
Leaf No. 213.1.1, Revision 6
Leaf No. 214, Revision 15
Leaf No. 224, Revision 17
Leaf No. 243.2, Revision 2
System Benefits Charge (SBC) Statement No. 22