



August 26, 2010

Honorable Jaclyn A. Brillling, Secretary
State of New York
Public Service Commission
Office of the Secretary
Three Empire State Plaza
Albany, NY 12223

RE: Case No. 07-M-0548, et. al. – Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard

Dear Secretary Brillling:

The attached System Benefits Charge (“SBC”) Statement issued by Niagara Mohawk Power Corporation, d/b/a National Grid (“the Company”) is being transmitted for filing in compliance with the Order in Case No. 07-M-0548, et. al., issued and effective June 24, 2010.

Statement of System Benefits Charge No. 18

To P.S.C. No. 214 Electricity

Effective: October 1, 2010

Purpose of Filing:

The purpose of this filing is to establish the System Benefits Charge Factor No. 4, effective October 1, 2010 through December 31, 2010 in accordance with Rule No. 41-Adjustment to Charges Pursuant to the System Benefits Charge (“SBC”).

Ordering Clause No.10 of this order directed that commencing on October 1, 2010 through December 31, 2010 the overall annual level of SBC electric revenue collections will be increased statewide by \$2,542,274. In this order the Commission approved with modifications, electric and gas energy efficiency programs and enhanced funding designed to serve the commercial, industrial, residential and residential low income customer market segments. In addition, the Commission approved adjustments to the rate of SBC collections from customers to ensure the correct level of funding for all EEPS programs approved to date.

Per Appendix 2, Table 6, the amount of EEPS additional annual collections to be billed to electric customers of National Grid commencing October 1, 2010 through December 31, 2010 is **\$751,102**.

This EEPS SBC incremental rate of adjustment of **\$0.000118** has been added to the current EEPS SBC Rate of Adjustment established for calendar year 2010 in Case Nos. 07-M-0548 and 08-E-01127 of **\$0.003126** for a total EEPS SBC Rate of Adjustment of **\$0.003244**. The EEPS SBC Rate of Adjustment of **\$0.003244** when added to the SBC III Rate of Adjustment of **\$0.001718/kWh** establishes a total SBC rate of adjustment of **\$0.004962/kWh** effective October 1, 2010 through December 31, 2010.

The attachments included with this filing support the development of the proposed EEPS SBC collection rate effective October 1, 2010 for the additional EEPS collection of **\$751,102**. All attachments are footnoted accordingly to describe the calculations used and the input data required to perform the development of the proposed EEPS SBC collection rate in accordance with the above two orders. The attachments included are as follows:

Attachment 1: EEPS SBC Applicable Sales for the 3 month period October 1, 2010 through December 31, 2010.

Attachment 2: Development of the October 1, 2010 through December 31, 2010 surcharge factor for the additional EEPS Collection Amount for 2010.

Please direct any questions regarding this filing to the undersigned.

Sincerely,

Patricia J. Rivers
Senior Rate Analyst
Electric Pricing Department
(315) 428-6833

PJR
Attachments
SBC 18_PSC 214