

PSC NO: 220 ELECTRICITY  
 NIAGARA MOHAWK POWER CORPORATION  
 INITIAL EFFECTIVE DATE: AUGUST 1, 2010

LEAF: 263.4  
 REVISION: 0  
 SUPERSEDING REVISION:

### GENERAL INFORMATION

#### 59. SMART PROGRAM ADJUSTMENT SURCHARGE

59.1 The Smart Program Adjustment Surcharge (SPAS) shall recover certain program and/or project costs approved by the Commission in Case 09-E-0310 *In the Matter of the American Recovery and Reinvestment Act of 2009 - Utility Filings for New York Economic Stimulus* in accordance with the Commission's orders and directives issued therein. The SPAS shall collect the revenue requirement on incremental capital investment, net of any grants or other benefits received or requested after projects or programs or substantial portions thereof are placed in-service. The SPAS shall recover costs not otherwise recovered in base delivery service rates or other surcharges associated with the following projects:

Project	Capital & Operating Cost	Expected In-Service Date
NYISO Phasor Measurement Unit Project	\$2,000,000	[mm-dd-yyy]
NYISO Capacitor Projects	\$17,000,000	[mm-dd-yyy]
Premium Power Corporation Energy Storage Demonstration Project	\$6,700,000	[mm-dd-yyy]

59.2 Service bills rendered to customers taking service under P.S.C. Nos. 220 and 214 Electricity are subject to the SPAS regardless of electricity supplier, except:

- (i) load served by NYPA as provided in
  - a. Rule 34.5.3.5.1,
  - b. SC No 4-Special Provision H,
  - c. SC No 3-Special Provision G, or
- (ii) load served under the Empire Zone Rider (EZR) as described in
  - a. Rule 34.3.2.2 and
  - b. Rule 34.3.3.2, or
- (iii) as established by contract under the SC-11 or SC-12 tariff as described in
  - a. SC No. 11 - Adjustments and Surcharges and
  - b. SC No. 12 – Section 5.2.3.

59.2.1 Certain NYPA allocations are subject to the SPAS. These allocations include Economic Development Power above the allocated 46 MW, and all deliveries of High Load Factor FitzPatrick Power not specifically enumerated on Schedule A to the *Agreement Among Niagara Mohawk Power Corporation, the New York Power Authority, and the Department of Public Service Resolving and Settling Certain Disputes*, dated May 22, 1997 or otherwise authorized therein.

59.2.2 SPAS shall be a uniform dollar-per-kWh (\$/kWh) rate. It shall be equal to:

- (i) the sum of the annual revenue requirement for the project facilities approved by the Commission for recovery for such period plus (or minus) the annual reconciliation adjustment described below in § 59.4, divided by
- (ii) the most recently approved sales forecast for the recovery period, subject to any exclusions pursuant to § 59.2 above.

Issued by Thomas B. King, President, Syracuse, New York