

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: April 1, 2019
Issued in compliance with Order in Case 18-E-0206, dated November 15, 2018.

Leaf No. 117.8
Revision: 19
Superseding Revision: 18

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

B. Transition Charge (Non-Bypassable Charge ["NBC"])

1. Calculation of the Transition Charge (Non-Bypassable Charge ["NBC"])

This charge shall sum together the:

- a) market value of the Company's owned hydro plant output at the generation source;
- b) net market value of the purchased power contracts of the NUG and NYPA resources (market value of the purchased power contract costs determined at the generation source less the contract costs);
- c) monthly payments received by the Company from NYPA under the Recharge New York Residential Consumer Discount Program (New York Public Authorities Law § 1005(13-b)); any Public Service Commission approved adjustments;
- d) Any over- or under- collections from reconciliation of the Residential Agricultural Discount, as set forth in Rule 33.2.B, shall be included in a subsequent monthly NBC for the residential customer classes. Application of the Residential Agricultural Discount reconciliation amounts to the NBC shall not cause the NBC to reduce the delivery bill to less than zero.
- e) costs associated with the Demand Response Programs available pursuant to Rules 34, 35, or 36;
- f) all actual transmission wheeling expenses; certain actual wholesale transmission-related revenues (A \$54.3 million estimate of transmission revenues was included in the delivery revenue requirements calculated in Case No. 09-E-0715. Any difference between the actual amount of transmission revenues and the \$54.3 million embedded in base delivery rates, calculated on a historical monthly average basis, shall be captured in the NBC).
- g) The NBC shall include the Lost Revenue Recovery Mechanism (LRRM) as described in Section 25.I.E.
- h) Credits provided to customers receiving the Standby Reliability Credit, as set forth in Service Classification 11, Special Provision (f), will be recovered through the NBC.
- i) The following costs associated with Value Stack credits paid by the Company pursuant to Rule 40.B, Value Stack shall be allocated and collected by service classification as follows:
 - a. Capacity Value [Market Value]: allocated to service classes based on how the Company allocates ICAP;
 - i. Costs associated with the Capacity Value [Market Value and Out of Market Value] shall not be recovered from Hourly Pricing customers
 - b. Capacity Value [Out of Market Value], Environmental Value [Out of Market Value], and Market Transition Credit: all delivery customers, allocated to service classes based on the composition of subscribers who receive benefits in proportion to the benefits received;
 - c. Demand Reduction Value (DRV) and Locational System Relief Value (LSRV): all delivery customers on a voltage level basis; allocated to service class by voltage level based on appropriate T&D demand allocators. The DRV and LSRV shall be collected from demand-billed customers on a per-kW basis.
- j) The costs associated with Rule 34, Distribution Load Relief Program; Rule 35 Commercial System Relief Program; and Rule 36, Direct Load Control Program, shall be allocated as described in those Rules and collected by service classification as follows:
 - a. non-demand billed customers on a per-kWh basis;
 - b. demand-billed customers on a per-kW basis.
- k) Credits provided to residential customers pursuant to Service Classification No. 8 Special Provision (p)(3) Price Guarantee, shall be recovered through the NBC applicable to S.C. 1, 8, and 12.

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York