

Effective Date: 04/01/2017

PSC No: 120 - Electricity
 New York State Electric & Gas Corporation
 Initial Effective Date: April 1, 2017
 Issued in compliance with Order in Case 15-E-0302 dated February 22, 2017.

Leaf No. 18
 Revision: 16
 Superseding Revision: 14

GENERAL INFORMATION

4. Surcharge to Collect System Benefits Charge ("SBC")

A System Benefit Charge (SBC) recovers costs associated with clean energy activities conducted by the New York State Energy Research and Development Authority (NYSERDA) and energy efficiency programs implemented by the Company. The SBC is collected from the following Service Classifications: 1, 2, 3, 5, 6, 7, 8, 9, 11, 12, 13 and 14.

On an annual basis, the SBC Statement shall be filed on not less than 15 days' notice to become effective January 1st. Such statement may be found at the end of this Schedule (P.S.C. No. 120 – Electricity). The statement shall set forth the following surcharge rates:

A. Clean Energy Fund (CEF) Surcharge Rate:

Beginning on March 1, 2016, the CEF surcharge rate collects funds associated with clean energy activities administered by NYSEDA for the CEF and includes the following program activities that were in effect prior to 2016: Renewable Portfolio Standard (RPS), Energy Efficiency Portfolio Standard (EEPS), System Benefits Charge, and over- or under-collections associated with EEPS programs administered by the Company. The surcharge rate shall be calculated by dividing the necessary collections by the projected annual kWh sales. Necessary collections shall include:

1. Annual authorized collections for NYSEDA administered programs, plus or minus any under- or over-collections for prior years.
2. Any under- or over-collections for Company administered EEPS programs.

B. Energy Efficiency (EE) Tracker Surcharge Rate:

The EE Tracker Surcharge Rate collects funds associated with energy efficiency programs administered by the Company that were implemented beginning on January 1, 2016. The surcharge rate shall be calculated by dividing the necessary collections by the projected sales. Necessary collections shall include:

1. Annual authorized collections for Company administered programs, plus or minus any under- or over-collections for prior years and plus or minus interest earned on prior collections. (The reconciliation for under- or over-collections for Company administered programs shall begin in 2017.)

C. Clean Energy Standard – Tier 2 Maintenance Contracts and Backstop Charges:

The Company shall recover costs associated with The Tier 2 Maintenance Contracts and Backstop Charges (Rule 39) from all customers.

The rate shall be set annually based on expected Tier 2 Maintenance Contract costs divided by projected sales and shall include allowance for uncollectibles plus or minus any under or over-collections for prior years. If any backstop charges are incurred during the recovery period, the Company can reset the rate during that time. The Exceptions identified in Rule 4.D. below do not apply to this component of the SBC.

D. Exceptions:

The CEF and EE Tracker surcharges shall not apply to NYPA allocations of Recharge New York power as set forth under Rule 11.

5. Reserve for Future Use.

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