



Carol Teixeira
Manager, NY Electric Pricing

July 19, 2019

Honorable Kathleen H. Burgess, Secretary
State of New York
Public Service Commission
Office of the Secretary, 19th Floor
Three Empire State Plaza
Albany, New York 12223-1350

RE: Case 18-E-0130 – In the Matter of Energy Storage Deployment Program

Dear Secretary Burgess:

The enclosed tariff amendments, issued by Niagara Mohawk Power Corporation d/b/a National Grid (the “Company”), are being transmitted as a supplemental filing in compliance with the December 13, 2018 *Order Establishing Energy Storage Goal and Deployment Policy* issued by the New York State Public Service Commission (“Commission”) in the above case number (“Order”).

Identification of Tariff Amendments:

Eleventh Revised Leaf No. 263.1

To P.S.C. No. 220 Electricity

Effective: August 19, 2019

Purpose of the Filing:

The Order directed the Company to file tariff amendments to effectuate cost recovery of the contract costs associated with the procurement of at least 10 MW of qualified energy storage systems (the “Energy Storage Surcharge”). In addition to contract costs, the Energy Storage Surcharge will recover incremental costs incurred by the Company to implement the energy storage contracts. These costs are to be recovered from all delivery customers in the same manner as Non-Wires Alternatives (“NWA”) program costs are recovered at each utility.¹

On May 2, 2019 the Company filed tariff amendments to create Rule 56 – Energy Storage Surcharge to describe the new mechanism intended to recover these costs from delivery customers and these amendments became effective on a temporary basis on June 1, 2019. After further discussions with Department of Public Service Staff (“Staff”) and consultation with the other New York State utilities, the Company has made further modifications to the tariff leaf to more accurately describe the calculation of the Energy Storage Surcharge. The Company believes this additional detail will provide more clarity as to the costs to be included in the surcharge.

¹ Case 18-E-0130, *In the Matter of Energy Storage Deployment Program* (“Energy Storage Proceeding”), Order Establishing Energy Storage Goal and Deployment Policy (issued December 13, 2018), p. 55.

Conclusion and Notice:

Consistent with Ordering Clause No. 3 of the Order which directed utilities to file tariff changes on no less than 30 days' notice, these supplemental tariff leaves are being filed with an effective date of August 19, 2019. As directed in Ordering Clause No. 15 of the Order, the requirements of PSL §66 (12) (b) and 16 NYCRR §720-8.1 concerning newspaper publication of tariff amendments are waived for this filing.

Attachment 1 contains the Company's redlined tariff leaf showing where the changes have occurred from the Company's May 2, 2019 filing. Please advise the undersigned of any action taken regarding this filing.

Respectfully submitted,

/s/ Carol Teixeira

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Enc.
mpd/CT

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