



July 31, 2008

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

RE: Case 07-M-0548 – Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard-ORDER ESTABLISHING ENERGY EFFICIENCY PORTFOLIO STANDARD AND APPROVING PROGRAMS

Dear Secretary Brilling:

The attached System Benefits Charge ("SBC") Statement issued by Niagara Mohawk Power Corporation d/b/a National Grid ("National Grid") is being transmitted for filing in compliance with the Order in Case No. 07-M-0548 issued and effective June 23, 2008 ("the Order").

Statement of System Benefits Charge No. 13

To P.S.C. No. 214 Electricity

Effective: October 1, 2008

In Ordering Clause No. 1 of the Order, the Commission ordered that commencing on October 1, 2008, the annual level of SBC electric revenue collections will be increased from the current level of \$175 million to \$334,307,022. This increased funding will enable New York State to develop and encourage cost-effective energy efficiency over the long term and immediately commence or augment near-term efficiency measures. In the Order, several issues were addressed which the Commission believes are necessary in order to put in place an Energy Efficiency Portfolio Standard ("EEPS") for New York and to begin achieving energy savings.

In accordance with Ordering Clause No. 2 of the Order, an annual incremental amount of funding was directed to be collected by each electric utility as set forth in Table 16 of Appendix 1, with one-quarter of the annual amount to be collected during the last quarter of 2008. The EEPS for 2008 (1/4 yr) incremental SBC amount allocated to be collected by National Grid is \$12,813,756, resulting in an incremental SBC rate of adjustment amount of **\$0.001886** for the period of October 1, 2008 through December 31, 2008. This incremental rate of adjustment has been added to the SBC Rate of Adjustment established for the calendar year 2008 in Case No. 05-M-0090 effective January 1, 2008 through December 31, 2008 of **\$0.001640** to establish a total SBC rate of adjustment of **\$0.003526** effective October 1, 2008 through December 31, 2008.

The attachments to support the SBC calculation and the development of the proposed SBC collection rate have been included in the companion P.S.C. No. 207 filing.

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  
SBC13