

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). The SBC is collected from the following Service Classifications: 1, 2, 3, 5, 6, 7, 8, 9, 11, 12, 13, 14 and 15.

On an annual basis, the SBC Statement shall be filed on not less than 15 days’ notice to become effective January 1st. The Company shall reserve the right to file the SBC Statement on a more frequent basis as necessary to accommodate changes to program costs as directed by a Commission Order. Such filing shall be made on not less than 15 days’ notice prior to the effective date.

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:

The CEF surcharge rate collects funds associated with clean energy activities administered by NYSERDA for the CEF and includes the following program activities: NYSERDA Low- to Moderate-Income (LMI) and Non-LMI Energy Efficiency and Building Electrification (EE/BE) Portfolios. 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 NYSERDA administered programs, plus or minus any under- or over-collections for prior years.
2. CEF component of revenues collected by customers through the Customer Benefit Contribution (“CBC”) Charge pursuant to Rule 40.A and 40.B shall be included in the surcharge reconciliation.
3. The NYSERDA LMI EE/BE Surcharge shall collect funds for the LMI EE/BE Portfolio for the 2026-2032 period. Costs to be included shall be specified by the Commission under Case No. 25-M-0249. The rate shall be set annually with LMI EE/BE program costs divided by projected sales, plus or minus any under- or over-collections, with uncommitted funds and accrued interest used to offset future collections.
4. The NYSERDA Non-LMI EE/BE Surcharge shall collect funds for the Non-LMI EE/BE Portfolio for the 2026-2032 period. Costs to be included shall be specified by the Commission under Case No. 25-M-0248. The rate shall be set annually with Non-LMI EE/BE program costs divided by projected sales, plus or minus any under- or over-collections, with uncommitted funds and accrued interest used to offset future collections.

B. 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 Exemptions identified in Rule 4.D. below do not apply to this component of the SBC.

C. Integrated Energy Data Resource (IEDR) Surcharge

The Company shall recover costs associated with the implementation of the IEDR by NYSERDA. The surcharge shall collect costs from all customers.

The surcharge rate shall be set annually based on projected IEDR program costs divided by projected sales and shall include carrying charges using the Other Customer Provided Capital Rate, plus or minus any under- or over-collections for prior years.

D. Exemptions:

1. A customer that receives a NYPA allocation of Recharge New York power pursuant to Rule 11 or Western New York NYPA power pursuant to Rule 12 shall be exempt from the CEF surcharge of the SBC.
2. A customer with a Negotiated Agreement may be exempt from the SBC as provided for in the customer’s agreement.

E. Company-Administered Energy Efficiency/Building Electrification (“EE/BE”) Programs Surcharge

Costs associated with the Company-administered EE/BE programs shall be recovered from customers through the SBC. Costs shall be allocated to customers using the same allocations as included in base rate recoveries for the most recent rate case and recovered from customers on a per kWh basis for non-demand billed service classes, on a per kW basis for demand billed service classes, and on a On-Peak As-Used demand basis for SC-11 and SC-15.

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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Reserved for Future Use

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4. Surcharge to Collect System Benefits Charge (“SBC”) (Cont’d)

F. Retail and Residential Energy Storage Program Surcharge

The Company shall recover costs associated with the NYSERDA administered retail and residential energy storage programs. The surcharge shall collect costs from all customers, including NYPA customers.

The rate shall be set annually based on expected NYSERDA administered retail and residential energy storage program costs divided by projected sales and shall include carrying charges using the Other Customer Capital Rate, plus or minus any under or over-collections for prior years. The exemptions identified in Rule 4.D. above do not apply to this component of the SBC.

G. Innovation and Research (“I&R”) Portfolio Surcharge

The Company shall recover costs associated with the NYSERDA administered I&R portfolio.

The rate shall be set annually to recover costs associated with NYSERDA I&R portfolio, set forth by the Commission under Case No. 25-M-0421, divided by projected sales to recover the necessary collections, plus or minus any under- or over-collections, with uncommitted funds and accrued interest used to offset future collections as directed by the Commission.

The exemptions identified in Rule 4.D. above apply to this component of the SBC.