

PSC NO.214 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: JUNE 1, 2012

STATEMENT TYPE: MFC
STATEMENT NO. 4

MERCHANT FUNCTION CHARGE ("MFC") STATEMENT
APPLICABLE TO BILLINGS UNDER P.S.C. NO. 214 ELECTRICITY

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|---|-----------|
| Electricity Supply Uncollectible Expense Factor | 0.22% |
| Working Capital on Purchased Power Costs Factor | 0.406% |
| Electricity Supply Procurement Charge | \$0.00010 |
| Electricity Supply Credit and Collection Charge | \$0.00005 |

Note: The Electricity Supply Uncollectible Expense Factor and Working Capital for Purchased Power Factor will be multiplied by the Electricity Supply Charge on Customer's bills.

Service Classifications subject to the Merchant Function Charge Rate of Adjustment are defined in Rule No. 42 of P.S.C. No. 220 Electricity, General Information Section.

Rate of Adjustment shown is exclusive of Gross Receipt Taxes.

Issued by: Kenneth D. Daly, President, Syracuse, New York