

NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: MARCH 31,2015

STATEMENT TYPE: SC
WORKPAPER FOR STATEMENT NO. 40
Attachment 1
Page 1 of 5

"Balance of the ESRM"
Rule 46.3.2 and Rule 46.3.3

Dollar Reconciliations						Cost Month February 2015
1	Rule 46.3.3.1 Actual Electricity Supply Costs					\$ 98,866,012.62
Actual Net Market Value (OMVC) of Self-Reconciling Mechanisms and Adjustments						
2	Actual OMVC of Legacy Hedges (excluding NYPA R&D Contracts)					\$ (1,418,700.96)
3	Actual OMVC of Nine Mile 2 RSA Agreement					\$ -
4	Actual OMVC of NYPA R&D Contracts					\$ (1,285,812.75)
5	Actual OMVC of New Hedges					\$ (28,332,667.88)
6	Subtotal					\$ (31,037,181.59)
7	Actual Market Cost of Electricity Supply (Line 1 minus Line 6)					\$ 129,903,194.21
8	Rule 46.1 ESCost Revenue from All Commodity Customers					\$ 92,936,700.30
9	Balance of the ESRM (Line 7 minus Line 8)					\$ 36,966,493.91
Rule 46.3.2 Mass Market Adjustment						
	Service Classification	ISO Zone (Subzone#)	Forecast Commodity Rate	Actual Commodity Rate	Actual Hedged Sales Volumes (kWh)	Mass Market Adjustment
10	S.C. No. 1	A - West (1)	0.06241	0.09071	194,360,264	\$ 5,500,395.47
11		B - Genesee (29)	0.06529	0.09188	65,420,049	\$ 1,739,519.10
12		C - Central (2)	0.06762	0.09672	164,812,087	\$ 4,796,031.73
13		D - North (31)	0.06215	0.08872	15,713,085	\$ 417,496.67
14		E - Mohawk V (3)	0.06935	0.10078	127,205,588	\$ 3,998,071.63
15		F - Capital (4)	0.09743	0.14611	300,966,442	\$ 14,651,046.40
16	S.C. No. 2ND	A - West (1)	0.06239	0.09001	8,929,861	\$ 246,642.76
17		B - Genesee (29)	0.06532	0.09106	2,491,173	\$ 64,122.79
18		C - Central (2)	0.06769	0.09593	7,037,785	\$ 198,747.05
19		D - North (31)	0.06213	0.08777	636,163	\$ 16,311.22
20		E - Mohawk V (3)	0.06948	0.09996	5,649,276	\$ 172,189.93
21		F - Capital (4)	0.09782	0.14659	13,578,519	\$ 662,224.37
22	Sum Lines 10 through Line 21					\$ 32,462,799.13
23	Rule 46.3.3 Supply Service Adjustment (Line 9 minus Line 22)					\$ 4,503,694.78
24	'Balance of the ESRM' plus Sales Reconciliation, calculated for February 2015 Billing					\$ (12,917,121.96)
25	'Balance of the ESRM' Billed in February 2015					\$ (11,854,703.32)
26	Balance of the ESRM Sales Reconciliation for April 2015 billing (Line 24 minus Line 25)					\$ (1,062,418.64)

Rate Calculations		Billing Month April 2015	
27	Forecast Total Commodity Sales for Billing Month (kWh)		1,112,423,414
28	Supply Service Adjustment factor for all Commodity Customers ((Line 23 / Line 27)		0.004049
29	Balance of the ESRM Reconciliation Factor (Line 26/ Line 27)		(0.000955)
Balance of the ESRM Rates (\$/kWh)			
30	Unhedged & MHP customers (Line 28 + Line 29)		0.003094

Balance of the ESRM Rates SC-1 and SC-2ND Customers(\$/kWh):

		Forecast Commodity Sales for Billing Month	Mass Market Adjustment Factor	Supply Service Adj Factor	Balance of the ESRM Reconciliation Factor	Balance of the ESRM rates (\$/kWh)
31	S.C. No. 1	A - West (1)	159,900,718	0.034399	0.004049	(0.000955) 0.037493
32		B - Genesee (29)	53,821,252	0.032320	0.004049	(0.000955) 0.035414
33		C - Central (2)	135,591,353	0.035371	0.004049	(0.000955) 0.038465
34		D - North (31)	12,927,198	0.032296	0.004049	(0.000955) 0.035390
35		E - Mohawk V (3)	104,652,384	0.038203	0.004049	(0.000955) 0.041297
36		F - Capital (4)	247,605,911	0.059171	0.004049	(0.000955) 0.062265
37	S.C. No. 2ND	A - West (1)	7,431,584	0.033188	0.004049	(0.000955) 0.036282
38		B - Genesee (29)	2,073,197	0.030929	0.004049	(0.000955) 0.034023
39		C - Central (2)	5,856,966	0.033933	0.004049	(0.000955) 0.037027
40		D - North (31)	529,426	0.030809	0.004049	(0.000955) 0.033903
41		E - Mohawk V (3)	4,701,424	0.036625	0.004049	(0.000955) 0.039719
42		F - Capital (4)	11,300,277	0.058602	0.004049	(0.000955) 0.061696
			746,391,689			

New Hedge Adjustment
Rule 46.3.1**Portfolio Zones A-E**

	February 2015	April 2015
1 Forecast Net Market Value (OMVC) of New Hedges		\$ 5,676,029.85
2 Actual Net Market Value (OMVC) of New Hedges	\$(12,572,230.54)	
3 Prior New Hedge Adjustment reconciliation calculated for February 2015 Billing	<u>\$ 4,740,905.11</u>	
4 Intended Billing (Line 2 + Line 3)	<u>\$ (7,831,325.43)</u>	
5 New Hedge Adjustment Billed Revenue	\$ 4,116,250.47	
6 Reconciliation of Billed Revenue (Line 4 - Line 5)		\$ (11,947,575.90)
7 Mass Market Deferral Recovery - remaining recovery balance (see Attachment 2,Schedule 1)		<u>\$ (12,960.14)</u>
8 New Hedge Adjustment for April 2015 Billing (Line 1 + Line 6 + Line 7)		<u>\$ (6,284,506.19)</u>
Rate Calculation		Billing Month April 2015
9 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)		487,485,501
10 New Hedge Adjustment (Line 8/ Line 9)		\$ (0.012892)

Portfolio Zone F

	February 2015	April 2015
11 Forecast Net Market Value (OMVC) of New Hedges		\$ 4,595,588.15
12 Actual Net Market Value (OMVC) of New Hedges	\$(15,760,437.34)	
13 Prior New Hedge Adjustment reconciliation calculated for February 2015 Billing	<u>\$ 6,384,709.69</u>	
14 Intended Billing (Line 11 + Line 12)	<u>\$ (9,375,727.65)</u>	
15 New Hedge Adjustment Billed Revenue	\$ 1,692,102.80	
16 Reconciliation of Billed Revenue (Line 13 - Line 14)		\$ (11,067,830.45)
17 Mass Market Deferral Recovery - remaining recovery balance (see Attachment 2,Schedule 1)		<u>\$ (81,706.27)</u>
18 New Hedge Adjustment for April 2015 Billing (Line 11 + Line 16 + Line 17)		<u>\$ (6,553,948.57)</u>
Rate Calculation		Billing Month April 2015
19 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)		258,906,188
20 New Hedge Adjustment (Line 16/ Line 17)		\$ (0.025314)

Legacy Transition Charge
Rule 46.2
(exclusive of the Rule 46.2.6 NYPA Benefit)

	<u>February 2015</u>	<u>April 2015</u>
1 Forecast Net Market Value (OMVC) of Legacy Hedges		\$ 7,312,156.40
2 Scheduled Nine Mile 2 RSA Credit		\$ -
3 Actual Net Market Value (OMVC) of Legacy Hedges	\$ (1,418,700.96)	
4 Nine Mile 2 RSA Credit	\$ -	
5 Prior LTC reconciliation calculated for February 2015 Billing	<u>\$ 2,675,274.42</u>	
6 Intended Billing (Line 3 + Line 4 + Line 5)	<u>\$ 1,256,573.46</u>	
7 Legacy Transition Charge Billed Revenue	\$ 3,841,767.67	
8 Reconciliation of Billed Revenue (Line 6 - Line 7)		<u>\$ (2,585,194.21)</u>
9 Legacy Transition Charge for April 2015 Billing (Line 1 + Line 2 + Line 8)		\$ 4,726,962.19
		<u>Billing Month</u>
<u>Rate Calculation</u>		<u>April 2015</u>
10 Forecast Total Delivery Sales in Billing Month (kWh) *		2,627,607,527
11 Legacy Transition Charge (Line 9/ Line 10)		\$ 0.001799

* exclusive of NYPA Replacement & Expansion Power, High Load Factor Power, Preservation Power, Empire Zone Rider and Excelsior Jobs Program loads

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Nine Mile 2 Revenue Sharing Agreement

Rule 46.2.7

Record of Quarterly Payments and Calculation of Interest on Deferred RSA Credits

Billing Month	Beginning Balance	* RSA Collection from Constellation	Credit of Prior Month Interest	Credit One-Third RSA Collection	Interest Credited In Advance	TOTAL RSA CREDIT	Monthly Activity	Balance for Interest Calc	Customer Deposit Rate (Annual)	Customer Deposit Rate (Monthly)	Current Month Earned Interest	Ending Balance
(A)	(B)		(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
Jan-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Feb-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Mar-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Apr-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
May-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Jun-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Jul-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Aug-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Sep-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Oct-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Nov-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Dec-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.35%	0.03%	\$0.00	\$0.00
Jan-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.25%	0.10%	\$0.00	\$0.00
Feb-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.25%	0.10%	\$0.00	\$0.00
Mar-14	\$0.00	\$8,518,453.44	\$0.00	\$0.00	\$0.00	\$0.00	\$8,518,453.44	\$4,259,226.72	1.25%	0.10%	\$4,411.48	\$8,522,864.92
Apr-14	\$8,522,864.92	\$0.00	(\$4,411.48)	(\$2,839,484.48)	\$0.00	(\$2,843,895.96)	(\$2,843,895.96)	\$7,100,916.94	1.25%	0.10%	\$7,354.75	\$5,686,323.71
May-14	\$5,686,323.71	\$0.00	(\$7,354.75)	(\$2,839,484.48)	\$0.00	(\$2,846,839.23)	(\$2,846,839.23)	\$4,262,904.10	1.25%	0.10%	\$4,415.29	\$2,843,899.77
Jun-14	\$2,843,899.77	\$9,887,451.47	(\$4,415.29)	(\$2,839,484.48)	\$0.00	(\$2,843,899.77)	\$7,043,551.70	\$6,365,675.62	1.25%	0.10%	\$6,593.22	\$9,894,044.69
Jul-14	\$9,894,044.69	\$0.00	(\$6,593.22)	(\$3,295,817.16)	\$0.00	(\$3,302,410.38)	(\$3,302,410.38)	\$8,242,839.50	1.25%	0.10%	\$8,537.49	\$6,600,171.80
Aug-14	\$6,600,171.80	\$0.00	(\$8,537.49)	(\$3,295,817.16)	\$0.00	(\$3,304,354.65)	(\$3,304,354.65)	\$4,947,994.48	1.25%	0.10%	\$5,124.87	\$3,300,942.02
Sep-14	\$3,300,942.02	\$0.00	(\$5,124.86)	(\$3,295,817.16)	\$0.00	(\$3,300,942.02)	(\$3,300,942.02)	\$0.00	1.25%	0.10%	\$0.00	\$0.00
Oct-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.25%	0.10%	\$0.00	\$0.00
Nov-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.25%	0.10%	\$0.00	\$0.00
Dec-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.25%	0.10%	\$0.00	\$0.00
Jan-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
Feb-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
Mar-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
Apr-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
May-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
Jun-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
Jul-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
Aug-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
Sep-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
Oct-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
Nov-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00
Dec-15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00

* If an RSA Collection is received during the billing month, it will be recorded on Attachment 1 of the next billing month's workpapers, which will revise the interest calculation.

NYPA Hydropower Benefit Mechanism ("NYPA Benefit")**Rule 46.2.6**

NYPA R&D CONTRACTS			
		February 2015	April 2015
1	Forecast Net Market Value (OMVC) of NYPA R&D Contracts		\$ 167,528.69
2	Actual Net Market Value (OMVC) of NYPA R&D Contracts	\$ (1,285,812.75)	
3	Prior NYPA R&D reconciliation calculated for February 2015 Billing	\$ 193,825.50	
4	Intended Billing (Line 2 + Line 3)	\$ (1,091,987.25)	
5	NYPA Benefit (R&D Contracts) Billed Revenue	\$ (374,115.45)	
6	Reconciliation of Billed Revenue (Line 4 - Line 5)		\$ (717,871.80)
7	NYPA Benefit (R&D Contracts) for April 2015 Billing (Line 1 + Line 6)		\$ (550,343.11)
Rate Calculation			Billing Month April 2015
8	Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		941,485,608
9	NYPA Benefit (R&D Contracts) rate (Line 7/ Line 8)		\$ (0.000585)

RECHARGE NY RESIDENTIAL CONSUMER DISCOUNT (RCD) PAYMENT			
		February 2015	April 2015
10	RCD Payment for upcoming billing month		\$ (2,146,233.33)
11	Actual RCD Payment Booked	\$ (2,146,233.33)	
12	Prior RCD Payment reconciliation calculated for February 2015 Billing	\$ (75,492.53)	
13	Intended Billing (Line 11 + Line 12)	\$ (2,221,725.86)	
14	NYPA Benefit (RCD) Billed Revenue	\$ (2,264,151.67)	
15	Reconciliation of NYPA RCD Billed Revenue (Line 13 - Line 14)		\$ 42,425.81
16	Actual RAD payment Booked	\$ (276,933.33)	
17	NYPA Benefit (RAD) Billed Revenue	\$ (237,493.93)	
18	Reconciliation of Billed Revenue (Line 16 - Line 17)		\$ (39,439.40)
19	NYPA Benefit (RCD) for April 2015 Billing (Line 10 + Line 15+ Line 18)		\$ (2,143,246.92)
Rate Calculation			Billing Month April 2015
20	Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		941,485,608
21	NYPA Benefit (RCD) rate (Line 19/ Line 20)		\$ (0.002276)

RESIDENTIAL AGRICULTURAL DISCOUNT (RAD) PAYMENT			
			April 2015
22	NYPA RAD Payment for upcoming billing month		\$ (276,933.33)
Rate Calculation			Billing Month April 2015
23	Forecast SC-1 and SC-1C RAD Customers Sales in Billing month (kWh)		4,529,048
24	NYPA Benefit (RAD) rate (Line 22/ Line 23)		\$ (0.061146)