

"Balance of the ESRM"
Rule 46.3.2 and Rule 46.3.3

Dollar Reconciliations

Actual Electricity Supply Costs in calendar month of:	April 2013	\$	54,655,542.07
Actual Electricity Supply Costs in calendar month of:	May 2013	\$	63,364,316.72
1 Rule 46.3.3.1 Actual Electricity Supply Costs to be Reconciled	Half from Each Month	\$	59,009,929.40
Actual OMVC of Legacy Hedges (excluding NYPA R&D) in calendar month of:	April 2013	\$	6,727,285.75
Actual OMVC of NYPA R&D Contracts in calendar month of:	April 2013	\$	(157,508.03)
Actual OMVC of New Hedges in calendar month of:	April 2013	\$	(1,666,819.39)
2 Actual Net Market Value (OMVC) of Self-Reconciling Mechanisms and Adjustments	April 2013	\$	4,902,958.33
Actual OMVC of Legacy Hedges (excluding NYPA R&D Contracts) in calendar month of:	May 2013	\$	4,153,550.42
Actual OMVC of NYPA R&D Contracts in calendar month of:	May 2013	\$	(911,709.75)
Actual OMVC of New Hedges in calendar month of:	May 2013	\$	(3,922,653.50)
3 Actual Net Market Value (OMVC) of Self-Reconciling Mechanisms and Adjustments	May 2013	\$	(680,812.83)
4 Actual Net Market Value (OMVC) to subtract from Line 1	Half from Each Month	\$	2,111,072.75
5 Actual Market Cost of Electricity Supply to be Reconciled (Line 1 minus Line 4)		\$	56,898,856.65
6 Rule 46.1 ESCost Revenue from All Commodity Customers in revenue month of:	May 2013	\$	55,836,017.40 ⁽¹⁾
7 Balance of the ESRM (Line 5 minus Line 6)		\$	1,062,839.25
Rule 46.3.2 Mass Market Adjustment			
8 Actual Commodity Rate (\$/kWh) for calendar month of:	May 2013		0.06007
9 Forecast Commodity Rate (\$/kWh) for calendar month of:	May 2013		0.05788
10 Actual Commodity Rate (\$/kWh) for calendar month of:	April 2013		0.05114
11 S.C. 1 & S.C. 2ND Billed Commodity Sales (kWh) in revenue month of:	May 2013		656,331,826
12 Mass Market Adjustment: (Line 8 - Line 9)(Line 11) + (Line 10 - Line 8)[(1/2)(Line 11)]		\$	(1,493,154.90)
13 Rule 46.3.3 Supply Service Adjustment (Line 7 minus Line 12)		\$	2,555,994.15
14 'Balance of the ESRM' (Line 7) plus Sales Reconciliation (Line 16) calculated for May 2013 Billing		\$	11,962,745.46
15 'Balance of the ESRM' Billed in May 2013		\$	11,774,907.91
16 Balance of the ESRM Sales Reconciliation for July 2013 billing (Line 14 minus Line 15)		\$	187,837.55

Rate Calculations

**Billing Month
July 2013**

17 Forecast Total Commodity Sales for Billing Month (kWh)	1,181,881,932
18 Supply Service Adjustment factor for all Commodity Customers (Line 13/ Line 17)	0.002163
19 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)	811,433,608
20 Mass Market Adjustment factor (Line 12/ Line 19)	(0.001840)
21 Balance of the ESRM Reconciliation Factor (Line 16/ Line 17)	0.000159
Balance of the ESRM Rates (\$/kWh)	
22 Unhedged & MHP customers (Line 18 + Line 21)	0.002322
23 SC1 & SC2-ND Customers (Line 18 + Line 20 + Line 21)	0.000482

Notes

⁽¹⁾ ESCost billed revenue includes a (\$10,072.72) adjustment for missing cons types which are detailed on Attachment 2.

New Hedge Adjustment**Rule 46.3.1**

	<u>May 2013</u>	<u>July 2013</u>
1 Forecast Net Market Value (OMVC) of New Hedges		\$ (4,136,712.00)
2 Actual Net Market Value (OMVC) of New Hedges	\$ (3,922,653.50)	
3 Prior New Hedge Adjustment reconciliation calculated for May 2013 Billing	<u>\$ (1,216,973.19)</u>	
4 Intended Billing (Line 2 + Line 3)	\$ (5,139,626.69)	
5 New Hedge Adjustment Billed Revenue	\$ (2,075,064.89)	
6 Reconciliation of Billed Revenue (Line 4 - Line 5)		<u>\$ (3,064,561.80)</u>
7 New Hedge Adjustment for July 2013 Billing (Line 1 + Line 6)		\$ (7,201,273.80)
		<u>Billing Month</u>
		<u>July 2013</u>
8 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)		811,433,608
9 New Hedge Adjustment (Line 7/ Line 8)		\$ (0.008875)

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

	<u>May 2013</u>	<u>July 2013</u>
1 Forecast Net Market Value (OMVC) of Legacy Hedges		\$ 1,827,259
2 Scheduled Nine Mile 2 RSA Credit		\$ -
3 Actual Net Market Value (OMVC) of Legacy Hedges	\$ 4,153,550.42	
4 Nine Mile 2 RSA Credit	\$ -	
5 Prior LTC reconciliation calculated for May 2013 Billing	<u>\$ (112,198.29)</u>	
6 Intended Billing (Line 3 + Line 4 + Line 5)	\$ 4,041,352.13	
7 Legacy Transition Charge Billed Revenue ⁽¹⁾	\$ 5,817,262.73	
8 Reconciliation of Billed Revenue (Line 6 - Line 7)		<u>\$ (1,775,910.60)</u>
9 Legacy Transition Charge for July 2013 Billing (Line 1 + Line 2 + Line 8)		\$ 51,348
 <u>Rate Calculation</u>		
10 Forecast Total Delivery Sales in Billing Month (kWh) *		2,551,370,723
11 Legacy Transition Charge (Line 9/ Line 10)		\$ 0.000020

* exclusive of NYPA, Empire Zone Rider and Excelsior Jobs Program loads

Notes

(1) Legacy Transition Charge billed revenue includes a \$171,018.17 correction, which is shown on Attachment 2.

NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: JUNE 28, 2013

STATEMENT TYPE: SC
WORKPAPER FOR STATEMENT NO. 19
Attachment 1
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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	Ending Balance Before Interest	Balance for Interest Calc	Customer Deposit Rate (Annual)	Customer Deposit Rate (Monthly)	Current Month Earned Interest	Ending Balance
(A)	(B)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
Dec-11	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.60%	0.13%	\$0.00	\$0.00
Jan-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Feb-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Mar-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Apr-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
May-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Jun-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Jul-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Aug-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Sep-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Oct-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Nov-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Dec-12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1.65%	0.14%	\$0.00	\$0.00
Jan-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Feb-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Mar-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Apr-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
May-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Jun-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Jul-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Aug-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Sep-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Oct-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Nov-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Dec-13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Jan-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Feb-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Mar-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Apr-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
May-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Jun-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Jul-14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%	\$0.00	\$0.00
Aug-14	\$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		
	May 2013	July 2013
1 Forecast Net Market Value (OMVC) of NYPA R&D Contracts		\$ (1,185,117.85)
2 Actual Net Market Value (OMVC) of NYPA R&D Contracts	\$ (911,709.75)	
3 Prior NYPA R&D reconciliation calculated for May 2013 Billing	\$ (98,122.18)	
4 Intended Billing (Line 2 + Line 3)	\$ (1,009,831.93)	
5 NYPA Benefit (R&D Contracts) Billed Revenue	\$ (779,709.26)	
6 Reconciliation of Billed Revenue (Line 4 - Line 5)		\$ (230,122.67)
7 NYPA Benefit (R&D Contracts) for July 2013 Billing (Line 1 + Line 6)		\$ (1,415,240.52)
Rate Calculation		Billing Month July 2013
8 Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		1,024,503,151
9 NYPA Benefit (R&D Contracts) rate (Line 7/ Line 8)		\$ (0.001381)

RECHARGE NY RESIDENTIAL CONSUMER DISCOUNT (RCD) PAYMENT		
	May 2013	July 2013
10 RCD Payment for upcoming billing month		\$ (3,461,667.00)
11 Actual RCD Payment Booked	\$ (3,461,667.00)	
12 Prior RCD Payment reconciliation calculated for May 2013 Billing	\$ (127,090.18)	
13 Intended Billing (Line 11 + Line 12)	\$ (3,588,757.18)	
14 NYPA Benefit (RCD) Billed Revenue	\$ (3,672,960.74)	
15 Reconciliation of Billed Revenue (Line 13 - Line 14)		\$ 84,203.56
16 NYPA Benefit (RCD) for July 2013 Billing (Line 10 + Line 15)		\$ (3,377,463.44)
Rate Calculation		Billing Month July 2013
17 Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		1,024,503,151
18 NYPA Benefit (RCD) rate (Line 16/ Line 17)		\$ (0.003297)