

**"Balance of the ESRM"**  
**Rule 46.3.2 and Rule 46.3.3**

**Dollar Reconciliations**

Actual Electricity Supply Costs in calendar month of:	March 2013	\$	65,507,781.52
Actual Electricity Supply Costs in calendar month of:	April 2013	\$	54,655,542.07
<b>1 Rule 46.3.3.1 Actual Electricity Supply Costs to be Reconciled</b>	<b>Half from Each Month</b>	<b>\$</b>	<b>60,081,661.80</b>
Actual OMVC of Legacy Hedges (excluding NYPA R&D) in calendar month of:	March 2013	\$	5,397,368.86
Actual OMVC of NYPA R&D Contracts in calendar month of:	March 2013	\$	(356,798.00)
Actual OMVC of New Hedges in calendar month of:	March 2013	\$	(2,265,705.39)
<b>2 Actual Net Market Value (OMVC) of Self-Reconciling Mechanisms and Adjustments</b>	March 2013	\$	2,774,865.47
Actual OMVC of Legacy Hedges (excluding NYPA R&D Contracts) 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)
<b>3 Actual Net Market Value (OMVC) of Self-Reconciling Mechanisms and Adjustments</b>	April 2013	\$	4,902,958.33
<b>4 Actual Net Market Value (OMVC) to subtract from Line 1</b>	<b>Half from Each Month</b>	<b>\$</b>	<b>3,838,911.90</b>
<b>5 Actual Market Cost of Electricity Supply to be Reconciled (Line 1 minus Line 4)</b>		<b>\$</b>	<b>56,242,749.90</b>
<b>6 Rule 46.1 ESCost Revenue from All Commodity Customers in revenue month of:</b>	<b>April 2013</b>	<b>\$</b>	<b>56,656,890.83 <sup>(1)</sup></b>
<b>7 Balance of the ESRM (Line 5 minus Line 6)</b>		<b>\$</b>	<b>(414,140.93)</b>
<b>Rule 46.3.2 Mass Market Adjustment</b>			
8 Actual Commodity Rate (\$/kWh) for calendar month of:	April 2013		0.05114
9 Forecast Commodity Rate (\$/kWh) for calendar month of:	April 2013		0.05072
10 Actual Commodity Rate (\$/kWh) for calendar month of:	March 2013		0.05555
11 S.C. 1 & S.C. 2ND Billed Commodity Sales (kWh) in revenue month of:	April 2013		744,447,420
<b>12 Mass Market Adjustment: (Line 8 - Line 9)(Line 11) + (Line 10 - Line 8)[(1/2)(Line 11)]</b>		<b>\$</b>	<b>1,954,174.48</b>
<b>13 Rule 46.3.3 Supply Service Adjustment (Line 7 minus Line 12)</b>		<b>\$</b>	<b>(2,368,315.41)</b>
14 'Balance of the ESRM' (Line 7) plus Sales Reconciliation (Line 16) calculated for April 2013 Billing		\$	7,928,860.82
15 'Balance of the ESRM' Billed in April 2013		\$	5,022,203.47
<b>16 Balance of the ESRM Sales Reconciliation for June 2013 billing (Line 14 minus Line 15)</b>		<b>\$</b>	<b>2,906,657.35</b>

**Rate Calculations**

**Billing Month  
June 2013**

17 Forecast Total Commodity Sales for Billing Month (kWh)	1,003,426,971
18 Supply Service Adjustment factor for all Commodity Customers (Line 13/ Line 17)	(0.002360)
19 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)	657,696,417
20 Mass Market Adjustment factor (Line 12/ Line 19)	0.002971
21 Balance of the ESRM Reconciliation Factor (Line 16/ Line 17)	0.002897
<b>Balance of the ESRM Rates (\$/kWh)</b>	
22 Unhedged & MHP customers (Line 18 + Line 21)	<b>0.000537</b>
23 SC1 & SC2-ND Customers (Line 18 + Line 20 + Line 21)	<b>0.003508</b>

Notes

<sup>(1)</sup> ESCost billed revenue includes a (\$168,413.21) adjustment for missing cons types which are detailed on Attachment 2.

**New Hedge Adjustment****Rule 46.3.1**

	<b><u>April 2013</u></b>	<b><u>June 2013</u></b>
1 Forecast Net Market Value (OMVC) of New Hedges		\$ (4,393,207.00)
2 Actual Net Market Value (OMVC) of New Hedges	\$ (1,666,819.39)	
3 Prior New Hedge Adjustment reconciliation calculated for April 2013 Billing	<u>\$ 1,790,798.51</u>	
4 Intended Billing (Line 2 + Line 3)	<u>\$ 123,979.12</u>	
5 New Hedge Adjustment Billed Revenue	\$ (458,226.89)	
6 Reconciliation of Billed Revenue (Line 4 - Line 5)		<u>\$ 582,206.01</u>
7 New Hedge Adjustment for June 2013 Billing (Line 1 + Line 6)		\$ (3,811,000.99)
		<b><u>Billing Month</u></b>
		<b><u>June 2013</u></b>
8 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)		657,696,417
9 <b>New Hedge Adjustment</b> (Line 7/ Line 8)		<b>\$ (0.005794)</b>

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

	<u>April 2013</u>	<u>June 2013</u>
1 Forecast Net Market Value (OMVC) of Legacy Hedges		\$ 2,923,392
2 Scheduled Nine Mile 2 RSA Credit		\$ -
3 Actual Net Market Value (OMVC) of Legacy Hedges	\$ 6,727,285.75	
4 Nine Mile 2 RSA Credit	\$ -	
5 Prior LTC reconciliation calculated for April 2013 Billing	<u>\$ (2,252,090.42)</u>	
6 Intended Billing (Line 3 + Line 4 + Line 5)	\$ 4,475,195.33	
7 Legacy Transition Charge Billed Revenue <sup>(1)</sup>	\$ 4,438,762.92	
8 Reconciliation of Billed Revenue (Line 6 - Line 7)		<u>\$ 36,432.41</u>
9 Legacy Transition Charge for June 2013 Billing (Line 1 + Line 2 + Line 8)		\$ 2,959,824
 <b><u>Rate Calculation</u></b>		
10 Forecast Total Delivery Sales in Billing Month (kWh) *		2,302,387,268
11 <b>Legacy Transition Charge</b> (Line 9/ Line 10)		<b>\$ 0.001286</b>

\* 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: MAY 31, 2013

STATEMENT TYPE: SC  
WORKPAPER FOR STATEMENT NO. 18

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**

<b>NYPA R&amp;D CONTRACTS</b>		<b>April 2013</b>	<b>June 2013</b>
1	Forecast Net Market Value (OMVC) of NYPA R&D Contracts		\$ (1,108,346.96)
2	Actual Net Market Value (OMVC) of NYPA R&D Contracts	\$ (157,508.03)	
3	Prior NYPA R&D reconciliation calculated for April 2013 Billing	\$ 117,994.75	
4	Intended Billing (Line 2 + Line 3)	\$ (39,513.28)	
5	NYPA Benefit (R&D Contracts) Billed Revenue	\$ (162,290.97)	
6	Reconciliation of Billed Revenue (Line 4 - Line 5)		\$ 122,777.69
7	NYPA Benefit (R&D Contracts) for June 2013 Billing (Line 1 + Line 6)		\$ (985,569.27)
<b>Rate Calculation</b>			<b>Billing Month June 2013</b>
8	Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		826,533,285
9	<b>NYPA Benefit (R&amp;D Contracts) rate</b> (Line 7/ Line 8)		<b>\$ (0.001192)</b>

<b>RECHARGE NY RESIDENTIAL CONSUMER DISCOUNT (RCD) PAYMENT</b>		<b>April 2013</b>	<b>June 2013</b>
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 April 2013 Billing	\$ (17,380.84)	
13	Intended Billing (Line 11 + Line 12)	\$ (3,479,047.84)	
14	NYPA Benefit (RCD) Billed Revenue	\$ (3,450,340.71)	
15	Reconciliation of Billed Revenue (Line 13 - Line 14)		\$ (28,707.13)
16	NYPA Benefit (RCD) for June 2013 Billing (Line 10 + Line 15)		\$ (3,490,374.13)
<b>Rate Calculation</b>			<b>Billing Month June 2013</b>
17	Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		826,533,285
18	<b>NYPA Benefit (RCD) rate</b> (Line 16/ Line 17)		<b>\$ (0.004223)</b>