Attachment 1

NIAGARA MOHAWK POWER CORPORATION

ADJUSTMENT TO CHARGES PURSUANT TO THE NEW YORK POWER AUTHORITY HYDROPOWER BENEFIT RECONCILIATION MECHANISM STATEMENT NO. 26 TO P.S.C. 220 ELECTRICITY

NYPA Reconciliation Rate for the Cost month of March 2011

Line N	ο.
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1	May 2011 Forecast Residential Sales (kWh) (PSC No. 220-SC Nos. 1 and 1C)		756,585,610						
2	Proposed NYPA Reconciliation Amount associated with the cost month of March 2011 (from Attachment 2)	\$	(3,411,980)						
3	Proposed NYPA Reconciliation Rate	\$	(0.004510)						
Total NYPA Reconciliation Factor Effective May 1, 2011 - May 31, 2011									
4	Total NYPA Reconciliation Factor effective May 1, 2011	\$	(0.004510)						

Line 1: May 2011 residential sales forecast approved by the Commission in Case No. 10-E-0050.

Line 2: Proposed NYPA reconciliation amount for the cost month of March 2011

Line 3: Reconciliation Rate for the cost month of March 2011 (Line 2 divided by Line 1)

Line 4: Total NYPA Reconciliation Factor (equal to Line 3)

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<u>Calculation of</u> **NYPA Reconciliation Rate for the Cost month of March 2011**

			(\mathbf{C})					
	(A)	(B)					Difference in	(A) - (B) + (C)
	Actual NYPA	Forecast NYPA	Forecast NYPA	Actual NYPA	Difference		Supply * Market	Total
	Residential Cost	Residential Cost	Residential Supply	Residential Supply	in Supply	Market Price	Price	Reconciliation
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March 2011	\$ 1,301,209	\$ -	-	77,254,319	(77,254,319)	\$ 0.06100874	\$ (4,713,189)	\$ (3,411,980)