

NIAGARA MOHAWK POWER CORPORATION

ADJUSTMENT TO CHARGES PURSUANT TO THE

NEW YORK POWER AUTHORITY HYDROPOWER BENEFIT

RECONCILIATION MECHANISM

STATEMENT NO. 27

TO P.S.C. 220 ELECTRICITY

NYPA Reconciliation Rate for the Cost month of March 2011**Line No.**

1	June 2011 Forecast Residential Sales (kWh) (PSC No. 220-SC Nos. 1 and 1C)		810,917,224
2	Proposed NYPA Reconciliation Amount associated with the cost month of March 2011 (from Attachment 2)	\$	(8,025,230)
2a	Correction to Statement 6 (July 2009 Cost Month)	\$	3,102,308
3	Proposed NYPA Reconciliation Rate	\$	(0.006071)

Total NYPA Reconciliation Factor Effective June 1, 2011 - June 30, 2011

4	Total NYPA Reconciliation Factor effective June 1, 2011	\$	(0.006071)
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Line 1: June 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 April 2011

Line 2a: Correction to reconciliation amount applied on July 2009 cost month statement

Line 3: Reconciliation Rate for the cost month of April 2011 (Line 2 + Line 2a, all divided by Line 1)

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

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Calculation of
NYPA Reconciliation Rate for the Cost month of March 2011

	(A)	(B)					(C)	(A) - (B) + (C)
	Actual NYPA	Forecast NYPA	Forecast NYPA	Actual NYPA	Difference	Market Price	Difference in	Total
	Residential Cost	Residential Cost	Residential Supply	Residential Supply	in Supply		Supply * Market	Reconciliation
							Price	
April 2011	\$ 1,923,100	\$ -	-	171,819,028	(171,819,028)	\$ 0.05790005	\$ (9,948,330)	\$ (8,025,230)
						Adjustment from Attachment 2a:		\$ 3,102,308
							Sum:	\$ (4,922,922)

Jul-2009

Mid-Month: X**NYPA Reconciliation (Rule 40) for July 2009 Cost Month [CORRECTED]**

	kWh	Cost	Dollars/ kWh
NYPA St. Lawrence	54,337,000	\$ 575,178	
NYPA Niagara			
Additional Firm	44,410,000	\$ 470,097	
Peaking	16,273,000	\$ 598,063	
Replacement Purchases	181,512,771	\$ 3,092,889	0.01703951
Less: Replacement Sales	207,983,110	\$ 3,543,930	0.01703951
Net Replacement	(26,470,339)	\$ (451,042)	0.01703951
Subtotal of NYPA to Residentials	88,549,661	\$ 1,192,297	
Adjustment to reflect actual Replacement Sales Revenue:		\$ 73,178	
Plus: Undelivered Replace kWh:	16,876,155		
Total NYPA:	105,425,816	\$ 1,265,475	

Actual Replacement Sales Calculation	
Capacity Charge	\$ 1,657,926
Plus: Energy Charge	\$ 1,812,826
Total (Actual Revenue)	\$ 3,470,752
Actual Revenue	\$ 3,470,752
Calculated Cost	\$ 3,543,930
Adjustment	\$ 73,178

- Note 1: NYPA St. Lawrence, NYPA Niagara, and Replacement Power kWh and costs are inputs. Data comes from Page 29 and monthly NYPA/SC1 Monthly Data Report.
- Note 2: Actual Replacement Sales Calculation input from the monthly PASNY Replacement Power Report. Report not available until fifth workday.
- Note 3: Undelivered Replacement kWh input from the monthly PASNY Replacement Power Report. Zero for 2-Day Close

Monthly NYPA Reconciliation

Formula:

- a. Plus: Actual NYPA Residential Cost for the Month
- b. Minus: Forecast NYPA Residential Cost for the Month
- c. Plus: (Forecast NYPA Residential Supply - Actual NYPA Residential Supply) x (Market Price)
- d. +a+b+c = Reconciliation amount for the month

Actual NYPA Cost:	\$ 1,265,475	Calculated above
Forecast NYPA Cost:	\$ -	Input: From Table 1 in PSC 220 Rule 40
Forecast NYPA Supply:	- kwh	Input: From Table 1 in PSC 220 Rule 40
Actual NYPA Supply:	105,425,816	Calculated above
Market Price:	0.07761873	Unit Price Inherent in the OMVC calculation

<u>Monthly July 2009 Reconciliation Amount:</u>	\$ (6,917,543)	
<u>As originally calculated:</u>	\$ (10,019,851)	
Adjustment to July 2009 Reconciliation	\$ 3,102,308	--> Add to April 2011 Cost Month Statement

Detailed sub-calculations:	Forecast supply - Actual supply	(105,425,816)
	Market Price	0.07761873
	Step C:	\$ (8,183,018)