

SEPTEMBER 2011 REVENUE FROM TRANSMISSION OF ENERGY

Account	Description	Month of September 2011
110033	Grandfathered Wheeling Revenue	\$ 3,889,388
110031	Regional Transmission Service	1,592,657
110038	Congestion Balancing Settlement	(364,967)
110038	Amortization of NYISO TCC Auction Revenues (Including Native Load Reconfiguration)	4,738,977
110038	NYISO TCC Congestion Revenues (G&E)	78,891
110038	NYISO TRAC Deferral/Reversal	(827,686)
TOTAL WHOLESALE TRANSMISSION REVENUE BOOKED		\$ 9,107,260
Adjustments (exclusions) for TRAC calculation:		
	NYISO TRAC Deferral/Reversal	\$ 827,686
a	TRANSMISSION REVENUE (for TRAC CALCULATION)	\$ 9,934,946
b	TRAC Base Value - September 2011 ¹	\$ 11,155,385
c	TRAC Deferral Booked	\$ 1,220,439
d	TRAC Cap Carryover from Prior Month	0
e	Sub-Total	\$ 1,220,439
g	Monthly Cap ²	\$ 6,000,000
h	TRAC Deferral Over/(Under) \$6M Monthly Cap or (Over)/Under (\$6M) Cap	\$ (4,779,561)
	TRAC Surcharge/(Refund) to Retail Customers	\$ 1,220,439
	TRAC Cap Carryover to be Applied to Next Month	\$ -

¹ Based on 2001 forecast in National Grid USA and Niagara Mohawk Joint Proposal merger filing. Updated Forecast as of Jan. 2011

² Based on Rule No. 43.5.1 and Fourth Revised Leaf No. 71-Q1 to PSC No. 207 Electricity effective December 19, 2005 whereby the New Commission and National Grid agreed to apply a monthly cap to limit the difference between forecasted and actual transmission revenue in alleviate the impact when these situations occur. Specifically, the monthly cap is \$6 million on the monthly TRA calculation, plus or minus deferred over to the next cost month. If the \$6 million cap is reached for another two consecutive months, the cap will be raised to \$8 million forward basis.

³ These revenues were not part of the derivation of the \$123,475,046 TRAC benchmark in the 2001 National Grid USA and Niagara Mohawk