

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

<b>Dollar Reconciliations</b>		<b>Cost Month April 2012</b>
<b>1 Rule 46.3.3.1 Actual Electricity Supply Costs</b>		<b>\$ 38,131,031.27</b>
<b>Actual Net Market Value (OMVC) of Self-Reconciling Mechanisms and Adjustments</b>		
2 Actual OMVC of Legacy Hedges (excluding NYPA R&D Contracts)		\$ 5,435,404.14
3 Actual OMVC of NYPA R&D Contracts		\$ 201,611.50
4 Actual OMVC of New Hedges		\$ 4,311,295.00
<b>5 Subtotal</b>		<b>\$ 9,948,310.64</b>
<b>6 Actual Market Cost of Electricity Supply (Line 1 minus Line 5)</b>		<b>\$ 28,182,720.63</b>
<b>7 Rule 46.1 ESCost Revenue from All Commodity Customers</b>		<b>\$ 28,435,970.33</b>
8 Balance of the ESRM (Line 6 minus Line 7)		\$ (253,249.70)
<b>Rule 46.3.2 Mass Market Adjustment</b>		
9 Forecast Commodity Rate (\$/kWh)	0.02725	
10 Actual Commodity Rate (\$/kWh)	0.03041	
11 Actual Hedged S.C. 1 & S.C. 2ND Sales Volumes (kWh)	675,930,766	
<b>12 Mass Market Adjustment (Line 10 minus Line 9, multiplied by Line 11)</b>		<b>\$ 2,137,867.62</b>
<b>13 Rule 46.3.3 Supply Service Adjustment (Line 8 minus Line 12)</b>		<b>\$ (2,391,117.32)</b>
14 'Balance of the ESRM' plus Sales Reconciliation, calculated for April 2012 Billing		\$ (10,622,834.61)
15 'Balance of the ESRM' Billed in April 2012		\$ (8,522,868.87)
<b>16 Balance of the ESRM Sales Reconciliation for June 2012 billing (Line 14 minus Line 15)</b>		<b>\$ (2,099,965.74)</b>
<b>Rate Calculations</b>		<b>Billing Month June 2012</b>
17 Forecast Total Commodity Sales for Billing Month (kWh)		1,029,065,793
18 Supply Service Adjustment factor for all Commodity Customers (Line 13/ Line 17)		(0.002324)
19 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)		669,343,412
20 Mass Market Adjustment factor (Line 12/ Line 19)		0.003194
21 Balance of the ESRM Reconciliation Factor (Line 16/ Line 17)		(0.002041)
<b>Balance of the ESRM Rates (\$/kWh)</b>		
22 Unhedged & MHP customers (Line 18 + Line 21)		<b>(0.004365)</b>
23 SC1 & SC2-ND Customers (Line 18 + Line 20 + Line 21)		<b>(0.001171)</b>

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

	<b><u>April 2012</u></b>	<b><u>June 2012</u></b>
1 Forecast Net Market Value (OMVC) of New Hedges		\$ 1,940,260.00
2 Actual Net Market Value (OMVC) of New Hedges	\$ 4,311,295.00	
3 Prior New Hedge Adjustment reconciliation calculated for April 2012 Billing	<u>\$ 2,944,146.12</u>	
4 Intended Billing (Line 2 + Line 3)	<u>\$ 7,255,441.12</u>	
5 New Hedge Adjustment Billed Revenue	\$ 7,144,953.01	
6 Reconciliation of Billed Revenue (Line 4 - Line 5)		<u>\$ 110,488.11</u>
7 New Hedge Adjustment for June 2012 Billing (Line 1 + Line 6)		\$ 2,050,748.11
		<b><u>Billing Month</u></b>
		<b><u>June 2012</u></b>
8 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)		669,343,412
9 <b>New Hedge Adjustment</b> (Line 7/ Line 8)		<b>\$ 0.003064</b>

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

	<b><u>April 2012</u></b>	<b><u>June 2012</u></b>
1 Forecast Net Market Value (OMVC) of Legacy Hedges		\$ 5,266,382
2 Scheduled Nine Mile 2 RSA Credit		\$ -
3 Actual Net Market Value (OMVC) of Legacy Hedges	\$ 5,435,404.14	
4 Nine Mile 2 RSA Credit	\$ -	
5 Prior LTC reconciliation calculated for April 2012 Billing	<u>\$ 1,113,221.71</u>	
6 Intended Billing (Line 3 + Line 4 + Line 5)	<u>\$ 6,548,625.85</u>	
7 Legacy Transition Charge Billed Revenue	\$ 9,962,190.54	
8 Reconciliation of Billed Revenue (Line 6 - Line 7)		<u>\$ (3,413,564.69)</u>
9 Legacy Transition Charge for June 2012 Billing (Line 1 + Line 2 + Line 8)		\$ 1,852,817
<b><u>Rate Calculation</u></b>		<b><u>Billing Month</u></b> <b><u>June 2012</u></b>
10 Forecast Total Delivery Sales in Billing Month (kWh) *		2,301,262,855
11 <b>Legacy Transition Charge</b> (Line 7/ Line 8)		<b>\$ 0.000805</b>

\* exclusive of NYPA and Empire Zone Rider loads

**NYPA Hydropower Benefit Mechanism ("NYPA Benefit")****Rule 46.2.6**

<b>NYPA R&amp;D CONTRACTS</b>		<b>April 2012</b>	<b>June 2012</b>
1	Forecast Net Market Value (OMVC) of NYPA R&D Contracts		\$ (266,578.01)
2	Actual Net Market Value (OMVC) of NYPA R&D Contracts	\$ 201,611.50	
3	Prior NYPA R&D reconciliation calculated for April 2012 Billing	\$ 183,464.45	
4	Intended Billing (Line 2 + Line 3)	\$ 385,075.95	
5	NYPA Benefit (R&D Contracts) Billed Revenue	\$ 369,758.76	
6	Reconciliation of Billed Revenue (Line 4 - Line 5)		\$ 15,317.19
7	NYPA Benefit (R&D Contracts) for June 2012 Billing (Line 1 + Line 6)		\$ (251,260.82)
<b>Rate Calculation</b>			<b>Billing Month June 2012</b>
8	Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		831,172,167
9	<b>NYPA Benefit (R&amp;D Contracts) rate</b> (Line 7/ Line 8)		<b>\$ (0.000302)</b>

<b>RECHARGE NY RESIDENTIAL CONSUMER DISCOUNT (RCD) PAYMENT</b>		<b>April 2012</b>	<b>June 2012</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 2012 Billing	\$ (86,914.55)	
13	Intended Billing (Line 11 + Line 12)	\$ (3,548,581.55)	
14	NYPA Benefit (RCD) Billed Revenue	\$ (3,251,849.62)	
15	Reconciliation of Billed Revenue (Line 13 - Line 14)		\$ (296,731.93)
16	NYPA Benefit (RCD) for June 2012 Billing (Line 10 + Line 15)		\$ (3,758,398.93)
<b>Rate Calculation</b>			<b>Billing Month June 2012</b>
17	Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		831,172,167
18	<b>NYPA Benefit (RCD) rate</b> (Line 16/ Line 17)		<b>\$ (0.004522)</b>