

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

<u>Dollar Reconciliations</u>	<u>Cost Month March 2012</u>
1 Rule 46.3.3.1 Actual Electricity Supply Costs	\$ 47,000,350.05
Actual Net Market Value (OMVC) of Self-Reconciling Mechanisms and Adjustments	
2 Actual OMVC of Legacy Hedges (excluding NYPA R&D Contracts)	\$ 8,198,237.81
3 Actual OMVC of NYPA R&D Contracts	\$ 125,718.00
4 Actual OMVC of New Hedges	\$ 5,710,663.42
5 Subtotal	\$ 14,034,619.23
6 Actual Market Cost of Electricity Supply (Line 1 minus Line 5)	\$ 32,965,730.82
7 Rule 46.1 ESCost Revenue from All Commodity Customers	\$ 38,252,022.49
8 Balance of the ESRM (Line 6 minus Line 7)	\$ (5,286,291.67)
Rule 46.3.2 Mass Market Adjustment	
9 Forecast Commodity Rate (\$/kWh)	0.03369
10 Actual Commodity Rate (\$/kWh)	0.02973
11 Actual Hedged S.C. 1 & S.C. 2ND Sales Volumes (kWh)	779,812,593
12 Mass Market Adjustment (Line 10 minus Line 9, multiplied by Line 11)	\$ (3,088,389.29)
13 Rule 46.3.3 Supply Service Adjustment (Line 8 minus Line 12)	\$ (2,197,902.39)
14 'Balance of the ESRM' plus Sales Reconciliation, calculated for March 2012 Billing	\$ (574,960.08)
15 'Balance of the ESRM' Billed in March 2012	\$ (572,036.90)
16 Balance of the ESRM Sales Reconciliation for May 2012 billing (Line 14 minus Line 15)	\$ (2,923.18)
<u>Rate Calculations</u>	<u>Billing Month May 2012</u>
17 Forecast Total Commodity Sales for Billing Month (kWh)	1,012,290,273
18 Supply Service Adjustment factor for all Commodity Customers (Line 13/ Line 17)	(0.002171)
19 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)	664,404,536
20 Mass Market Adjustment factor (Line 12/ Line 19)	(0.004648)
21 Balance of the ESRM Reconciliation Factor (Line 16/ Line 17)	(0.000003)
Balance of the ESRM Rates (\$/kWh)	
22 Unhedged & MHP customers (Line 18 + Line 21)	(0.002174)
23 SC1 & SC2-ND Customers (Line 18 + Line 20 + Line 21)	(0.006822)

New Hedge Adjustment
Rule 46.3.1

	<u>March 2012</u>	<u>May 2012</u>
1 Forecast Net Market Value (OMVC) of New Hedges		\$ 4,805,712.00
2 Actual Net Market Value (OMVC) of New Hedges	\$ 5,710,663.42	
3 Prior New Hedge Adjustment reconciliation calculated for March 2012 Billing	<u>\$ 1,004,082.03</u>	
4 Intended Billing (Line 2 + Line 3)	\$ 6,714,745.45	
5 New Hedge Adjustment Billed Revenue	\$ 5,065,570.40	
6 Reconciliation of Billed Revenue (Line 4 - Line 5)		<u>\$ 1,649,175.05</u>
7 New Hedge Adjustment for May 2012 Billing (Line 1 + Line 6)		\$ 6,454,887.05
		Billing Month
		May 2012
Rate Calculation		
8 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)		664,404,536
9 New Hedge Adjustment (Line 7/ Line 8)		\$ 0.009715

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

	<u>March 2012</u>	<u>May 2012</u>
1 Forecast Net Market Value (OMVC) of Legacy Hedges		\$ 8,270,549
2 Scheduled Nine Mile 2 RSA Credit		\$ -
3 Actual Net Market Value (OMVC) of Legacy Hedges	\$ 8,198,237.81	
4 Nine Mile 2 RSA Credit	\$ -	
5 Prior LTC reconciliation calculated for March 2012 Billing	<u>\$ 2,551,272.96</u>	
6 Intended Billing (Line 3 + Line 4 + Line 5)	<u>\$ 10,749,510.77</u>	
7 Legacy Transition Charge Billed Revenue	\$ 9,318,331.87	
8 Reconciliation of Billed Revenue (Line 6 - Line 7)		<u>\$ 1,431,178.90</u>
9 Legacy Transition Charge for May 2012 Billing (Line 1 + Line 2 + Line 8)		\$ 9,701,728
		<u>Billing Month</u>
		<u>May 2012</u>
10 Forecast Total Delivery Sales in Billing Month (kWh) *		2,228,667,886
11 Legacy Transition Charge (Line 7/ Line 8)		\$ 0.004353

* exclusive of NYPA and Empire Zone Rider loads

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

NYPA R&D CONTRACTS		March 2012	May 2012
1	Forecast Net Market Value (OMVC) of NYPA R&D Contracts		\$ 32,524.54
2	Actual Net Market Value (OMVC) of NYPA R&D Contracts	\$ 125,718.00	
3	Prior NYPA R&D reconciliation calculated for March 2012 Billing	\$ (37,380.63)	
4	Intended Billing (Line 2 + Line 3)	\$ 88,337.37	
5	NYPA Benefit (R&D Contracts) Billed Revenue	\$ 107,227.54	
6	Reconciliation of Billed Revenue (Line 4 - Line 5)		\$ (18,890.17)
7	NYPA Benefit (R&D Contracts) for May 2012 Billing (Line 1 + Line 6)		\$ 13,634.37
Rate Calculation			Billing Month May 2012
8	Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		823,387,991
9	NYPA Benefit (R&D Contracts) rate (Line 7/ Line 8)		\$ 0.000017

RECHARGE NY RESIDENTIAL CONSUMER DISCOUNT (RCD) PAYMENT		March 2012	May 2012
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 March 2012 Billing	\$ (783,728.99)	
13	Intended Billing (Line 11 + Line 12)	\$ (4,245,395.99)	
14	NYPA Benefit (RCD) Billed Revenue	\$ (3,869,407.85)	
15	Reconciliation of Billed Revenue (Line 13 - Line 14)		\$ (375,988.14)
16	NYPA Benefit (RCD) for May 2012 Billing (Line 10 + Line 15)		\$ (3,837,655.14)
Rate Calculation			Billing Month May 2012
17	Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		823,387,991
18	NYPA Benefit (RCD) rate (Line 16/ Line 17)		\$ (0.004661)