

**NOVEMBER 2011 REVENUE FROM TRANSMISSION OF ENERGY**

| Account   | Description  | Month of<br>November 2011 |
|---|--|---------------------------|
| 110033  | Grandfathered Wheeling Revenue   | \$ 3,829,774              |
| 110031  | Regional Transmission Service  | 1,680,712                 |
| 110038  | Congestion Balancing Settlement  | 484,141                   |
| 110038  | Amortization of NYISO TCC Auction Revenues (Including Native Load Reconfiguration) | 6,086,997                 |
| 110038  | NYISO TCC Congestion Revenues (G&E)  | 1,340                     |
| 110038  | NYISO TRAC Deferral/Reversal   | (2,211,379)               |
| TOTAL WHOLESALE TRANSMISSION REVENUE BOOKED           |  | <u>\$ 9,871,586</u>       |
| <b>Adjustments (exclusions) for TRAC calculation:</b> |  |                           |
|   | NYISO TRAC Deferral/Reversal   | \$ 2,211,379              |
| <b>a</b>  | TRANSMISSION REVENUE (for TRAC CALCULATION)  | <u>\$ 12,082,965</u>      |
| <b>b</b>  | TRAC Base Value - November 2011 <sup>1</sup>                                       | \$ 11,092,025             |
| <b>c</b>  | TRAC Deferral Booked   | <u>\$ (990,940)</u>       |
| <b>d</b>  | TRAC Cap Carryover from Prior Month  | <u>0</u>                  |
| <b>e</b>  | Sub-Total  | \$ (990,940)              |
| <b>g</b>  | Monthly Cap <sup>2</sup>   | \$ (6,000,000)            |
| <b>h</b>  | TRAC Deferral Over/(Under) \$6M Monthly Cap or (Over)/Under (\$6M) Cap             | <u>\$ 5,009,060</u>       |
|   | TRAC Surcharge/(Refund) to Retail Customers  | <u>\$ (990,940)</u>       |
|   | TRAC Cap Carryover to be Applied to Next Month                                     | <u>\$ -</u>               |

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

<sup>2</sup> 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 York Public Service Commission and National Grid agreed to apply a monthly cap to limit the difference between forecasted and actual transmission revenue in one month to alleviate the impact when these situations occur. Specifically, the monthly cap is \$6 million on the monthly TRA calculation, plus or minus, with any excess 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, on a going forward basis.