

"Balance of the ESRM"
Rule 46.3.2 and Rule 46.3.3

Dollar Reconciliations		Cost Month January 2012	
1	Rule 46.3.3.1 Actual Electricity Supply Costs	\$	63,158,045
Actual Net Market Value (OMVC) of Self-Reconciling Mechanisms and Adjustments			
2	Actual OMVC of Legacy Hedges (excluding NYPA R&D Contracts)	\$	6,787,921
3	Actual OMVC of NYPA R&D Contracts	\$	(104,056)
4	Actual OMVC of New Hedges	\$	2,369,950
5	Subtotal	\$	9,053,814
6	Actual Market Cost of Electricity Supply (Line 1 minus Line 5)	\$	54,104,231
7	Rule 46.1 ESCost Revenue from All Commodity Customers	\$	54,679,191
8	Balance of the ESRM (Line 6 minus Line 7)	\$	(574,960)
Rule 46.3.2 Mass Market Adjustment			
9	Forecast Commodity Rate (\$/kWh)	0.04727	
10	Actual Commodity Rate (\$/kWh)	0.04167	
11	Actual Hedged S.C. 1 & S.C. 2ND Sales Volumes (kWh) BATCHES 3-20 ONLY	791,407,917	
12	Mass Market Adjustment (Line 10 minus Line 9, multiplied by Line 11)	\$	(4,431,884)
13	Rule 46.3.3 Supply Service Adjustment (Line 8 minus Line 12)	\$	3,856,924
14	'Balance of the ESRM' plus Sales Reconciliation, calculated for January 2012 Billing	\$	-
15	'Balance of the ESRM' Billed in January 2012	\$	-
16	Balance of the ESRM Sales Reconciliation for March 2012 billing (Line 14 minus Line 15)	\$	-
Rate Calculations		Billing Month March 2012	
17	Forecast Total Commodity Sales for Billing Month (kWh)		1,223,677,813
18	Supply Service Adjustment factor for all Commodity Customers (Line 13/ Line 17)		0.003152
19	Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)		841,539,132
20	Mass Market Adjustment factor (Line 12/ Line 19)		(0.005266)
21	Balance of the ESRM Reconciliation Factor (Line 16/ Line 17)		-
Balance of the ESRM Rates (\$/kWh)			
22	Unhedged & MHP customers (Line 18 + Line 21)		0.003152
23	SC1 & SC2-ND Customers (Line 18 + Line 20 + Line 21)		(0.002114)

New Hedge Adjustment
Rule 46.3.1

	<u>January 2012</u>	<u>March 2012</u>
1 Forecast Net Market Value (OMVC) of New Hedges		\$ 4,750,488
2 Actual Net Market Value (OMVC) of New Hedges	\$ 2,369,950.00	
3 Prior New Hedge Adjustment reconciliation calculated for January 2012 Billing	\$ -	
4 Intended Billing (Line 2 + Line 3)	\$ 2,369,950.00	
5 New Hedge Adjustment Billed Revenue	\$ 1,365,867.97	
6 Reconciliation of Billed Revenue (Line 4 - Line 5)		\$ 1,004,082.03
7 New Hedge Adjustment for March 2012 Billing (Line 1 + Line 6)		\$ 5,754,570
<u>Rate Calculation</u>		<u>Billing Month</u> <u>March 2012</u>
8 Forecast SC-1 and SC-2ND Commodity Sales in Billing Month (kWh)		841,539,132
9 New Hedge Adjustment (Line 7/ Line 8)		\$ 0.006838

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

	<u>January 2012</u>	<u>March 2012</u>
1 Forecast Net Market Value (OMVC) of Legacy Hedges		\$ 7,967,474
2 Scheduled Nine Mile 2 RSA Credit		\$ -
3 Actual Net Market Value (OMVC) of Legacy Hedges	\$ 6,787,920.62	
4 Nine Mile 2 RSA Credit	\$ -	
5 Prior LTC reconciliation calculated for January 2012 Billing	\$ -	
6 Intended Billing (Line 3 + Line 4 + Line 5)	\$ 6,787,920.62	
7 Legacy Transition Charge Billed Revenue	\$ 4,236,647.66	
8 Reconciliation of Billed Revenue (Line 6 - Line 7)		\$ 2,551,272.96
9 Legacy Transition Charge for March 2012 Billing (Line 1 + Line 2 + Line 8)		\$ 10,518,747

<u>Rate Calculation</u>	<u>Billing Month</u> <u>March 2012</u>
10 Forecast Total Delivery Sales in Billing Month (kWh) *	2,546,486,818
11 Legacy Transition Charge (Line 7/ Line 8)	\$ 0.004131

* exclusive of NYPA and Empire Zone Rider loads

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

NYPA R&D CONTRACTS		
	January 2012	March 2012
1 Forecast Net Market Value (OMVC) of NYPA R&D Contracts		\$ 166,575
2 Actual Net Market Value (OMVC) of NYPA R&D Contracts	\$ (104,056)	
3 Prior NYPA R&D reconciliation calculated for January 2012 Billing	\$ -	
4 Intended Billing (Line 2 + Line 3)	\$ (104,056)	
5 NYPA Benefit (R&D Contracts) Billed Revenue	\$ (66,676)	
6 Reconciliation of Billed Revenue (Line 4 - Line 5)		\$ (37,381)
7 NYPA Benefit (R&D Contracts) for March 2012 Billing (Line 1 + Line 6)		\$ 129,194
Rate Calculation		Billing Month March 2012
8 Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		1,041,066,757
9 NYPA Benefit (R&D Contracts) rate (Line 7/ Line 8)		\$ 0.000124

RECHARGE NY RESIDENTIAL CONSUMER DISCOUNT (RCD) PAYMENT		
	January 2012	March 2012
10 RCD Payment for upcoming billing month		\$ (3,461,667)
11 Actual RCD Payment Booked	\$ (3,461,667)	
12 Prior RCD Payment reconciliation calculated for January 2012 Billing	\$ -	
13 Intended Billing (Line 11 + Line 12)	\$ (3,461,667)	
14 NYPA Benefit (RCD) Billed Revenue	\$ (2,677,938)	
15 Reconciliation of Billed Revenue (Line 13 - Line 14)		\$ (783,729)
16 NYPA Benefit (RCD) for March 2012 Billing (Line 10 + Line 15)		\$ (4,245,396)
Rate Calculation		Billing Month March 2012
17 Forecast SC-1 and SC-1C Delivery Sales in Billing Month (kWh)		1,041,066,757
18 NYPA Benefit (RCD) rate (Line 16/ Line 17)		\$ (0.004078)