

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: FEBRUARY 16, 2012
STAMPS: Issued in Compliance with Order Issued December 16, 2011 in Case No. 10-E-0050.

LEAF: 229.1.1
REVISION: 0
SUPERSEDING REVISION:

GENERAL INFORMATION

46. SUPPLY SERVICE CHARGES (Continued)

46.2.6.6 The portion of the NYPA Benefit associated with the RCD payment shall be subject to reconciliation in which the RCD payment value shall be compared to the actual revenue billed by the factor in Rule 46.2.6.5 for the applicable month. Any reconciliation balance, whether positive or negative, shall be included in the Rule 46.2.6.5 factor in effect two months later.

The monthly RCD payment provided to customers shall not exceed the total monthly electric utility bill for each customer, and shall be shown as a separate factor on the Supply Service Charge Statement.

46.3 All customers receiving commodity service in accordance with Rule 46.1 will also be subject to the Electricity Supply Reconciliation Mechanism ("ESRM"). The ESRM will consist of:

46.3.1 New Hedge Adjustment – The costs and benefits associated with the net market value of New Hedges and applicable to Service Classification Nos. 1 and 2 (Non-Demand).

46.3.1.1 New Hedges are defined as all power purchase contracts executed on or after June 1, 2001, excluding NYPA contracts which are subject to Rule 46.2.6.

46.3.1.2 The net market value of each New Hedge contract is defined as the monthly contract cost less the market value.

Issued by Kenneth D. Daly, President, Syracuse, NY