

PSC NO: 220 ELECTRICITY  
NIAGARA MOHAWK POWER CORPORATION  
INITIAL EFFECTIVE DATE: JANUARY 1, 2012  
STAMPS: Issued in Compliance with Order Issued July 15, 2011 in Case No. 10-E-0050

LEAF: 229.3  
REVISION: 1  
SUPERSEDING REVISION: 0

#### GENERAL INFORMATION

#### 46. SUPPLY SERVICE CHARGES (Continued)

46.3.3.2 The actual amount of the net market value associated with Legacy Contracts assessed through the LTC pursuant to Rule 46.2, NYPA R&D Contracts assessed through the NYPA Benefit factor pursuant to Rule 46.2.6, New Hedges assessed through the New Hedge Adjustment factor pursuant to Rule 46.3.1, the Mass Market Adjustment determined pursuant to Rule 46.3.2, and any reconciliation balance from two months prior determined pursuant to Rule 46.3.3.4 below.

46.3.3.3 The Supply Service Adjustment factor shall be calculated monthly as the amount determined in accordance with Rules 46.3.3.1 and 46.3.3.2 divided by the forecasted kWh sales for the applicable month to all customers receiving Electricity Supply Service from the Company.

46.3.3.4 The Supply Service Adjustment shall be subject to reconciliation in which the reconciliation amount determined in accordance with Rules 46.3.3.1 and 46.3.3.2 shall be compared to the actual revenue billed by the Supply Service Adjustment factor for the applicable month. Any reconciliation balance, whether positive or negative, shall be included in the adjustment that is two months later.

46.4 A monthly Supply Service Charge Statement shall set forth the following rates each month: the forecast Rule 46.1.1 ESCost rates; the forecasted NYISO Capacity Spot Market price utilized in Rule 46.1.3.7; the LTC in Rule 46.2; and the ESRM in Rule 46.3. The Supply Service Charge Statement will be filed with the Public Service Commission apart from this rate schedule on not less than three (3) business days notice before the effective date.

Issued by Thomas B. King, President, Syracuse, NY