

PSC NO: 219 GAS  
NIAGARA MOHAWK POWER CORPORATION  
INITIAL EFFECTIVE DATE: 06/01/12  
STAMPS:

LEAF: 90.1.1  
REVISION: 0  
SUPERSEDING REVISION:

**GENERAL INFORMATION**

**17. ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF PURCHASED GAS: (continued)**

17.1.4.9 For the SC 1MB, 2MB, 12MB, 13MB, 5, 7 and 8 transportation customers, the SPA Rate will be calculated as the reconciliation amount described in 17.1.4.6 or 17.1.4.7, as applicable, divided by the projected sales for these customers and will be set forth as a per therm credit or surcharge to the Delivery Service Adjustments for the 12-month period starting January 1<sup>st</sup>.

17.2 Risk Management Costs:

17.2.1 Risk Management Costs are costs associated with transactions that are intended to reduce price volatility or reduce overall costs to customers. These costs include transaction costs, and gains and losses associated with transactions made in commodities exchanges or with other risk management entities.

Issued By: Kenneth D. Daly, President, Syracuse, New York