

P.S.C. No. 7 Electricity
City of Jamestown
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GENERAL INFORMATION

6. ADJUSTMENT OF RATES ACCORDING TO CHANGES IN THE COST OF FUEL AND PURCHASED POWER (cont.)

e) Dismantling Fund

Dismantling Fund shall be a separate Deferral Account funded with Off-system Sales Margins and an additional surcharge to customers through the Off-System Sales Adjustment if the Off-System Sales Margin falls below \$1,475,000. The Off-System Sales Margin shall be defined as the difference between revenues from a) excess ICAP/UCAP sales, b) Contract for Differences (CFD) with marketers, c) CFD with end-users, and d) sales to the NYISO, or its successor, of excess generation beyond that generated for the Utility's own end-use customers and costs as defined in Section 6 b), Definition of Terms for Adjustment of Rates According to Changes in the Cost of Fuel and Purchased Power.

The reconciliation period shall be the period November 1st through October 31st. The amount of Off-System Sales Margins shall be determined for each reconciliation period, and the level of any customer surcharge shall be determined. The reconciliation shall include a determination of any over or under collection of surcharges from the prior reconciliation period. The over or under collection shall be subject to the customer contributed capital rate as prescribed by the Commission. The surcharge, if any, for the current reconciliation period, shall be collected equally (per kWh) over the subsequent February 1st through January 31st time period.

If the Off-System Sales Margin for the current reconciliation period is less than \$975,000, customers will be surcharged the difference between the actual Off-System Sales Margin and the target margin of \$1,225,000, up to a maximum of \$700,000. If the actual Off-System Sales Margin is between \$975,000 and \$1,475,000, customers will also be surcharged, up to a maximum of \$250,000, one-half the difference between \$1,475,000 and the actual Off-System Sales Margin.

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