

PSC NO: 220 ELECTRICITY  
 NIAGARA MOHAWK POWER CORPORATION  
 INITIAL EFFECTIVE DATE: SEPTEMBER 1, 2020  
 STAMPS:

LEAF: 226  
 REVISION: 4  
 SUPERSEDING REVISION: 3

## GENERAL INFORMATION

### 45. NON-WIRES ALTERNATIVES (“NWA”) INCENTIVE MECHANISM SURCHARGE

45.1 Costs to be recovered by the NWA Incentive Mechanism Surcharge include NWA project costs and the Final Incentive under the NWA Incentive Mechanism, not already recovered in base delivery rates, net of the carrying charges associated with the displaced project, as described in the Company’s Joint Proposal in Case 17-E-0238 dated January 19, 2018, and any subsequently approved orders of the P.S.C. (hereinafter referred to as “NWA Costs”).

45.2 The NWA Incentive Mechanism Surcharge collects the NWA Costs from customers by service class based on the following allocators:

45.2.1 The portion of the NWA Costs related to NWA projects which defer the need for transmission infrastructure (if any) will be allocated to service classifications based on the Company’s single coincident peak transmission demand allocator (“ICP”) per Rule 43.6;

45.2.2 The portion of the NWA Costs related to NWA projects which defer the need for sub-transmission infrastructure, if any, will be allocated to service classifications based on the Company’s non-coincident peak sub-transmission demand allocator as follows;

#### Sub-Transmission Allocators:

Residential	51.68%
Residential TOU	1.07%
Small Gen No Dem	3.03%
Small Gen Demand	15.35%
Large Gen-Sec	14.65%
Large Gen-Pri	5.87%
Large Gen-Tran	0.00%
Large Gen TOU-S/P	2.88%
Large Gen TOU-SubT	4.54%
Large Gen TOU-Tran	0.00%
Lighting	0.93%

45.2.3 The NWA Costs related to NWA projects which defer the need for primary-voltage distribution infrastructure, if any, will be allocated to service classifications based on the Company’s non-coincident peak primary demand allocators as follows:

#### Primary Demand Allocators:

Residential	54.12%
Residential TOU	1.13%
Small Gen No Dem	3.18%
Small Gen Demand	16.07%
Large Gen-Sec	15.35%
Large Gen-Pri	6.15%
Large Gen-Tran	0.00%
Large Gen TOU-S/P	3.02%
Large Gen TOU-SubT	0.00%
Large Gen TOU-Tran	0.00%
Lighting	0.98%