PSC NO: 219 GAS   LEAF: 122.4.1
NIAGARA MOHAWK POWER CORPORATION   REVISION: 5
INITIAL EFFECTIVE DATE: 04/01/20   SUPERSEDING REVISION: 4
STAMPS: Issued in compliance with order in Case No. 17-G-0239 dated March 15, 2018.

GENERAL INFORMATION

33.   MERCHANT FUNCTION CHARGE: (continued)

     33.1.1   Gas Supply Procurement Expenses (continued)

          33.1.1.2   The resulting rate shall be filed on the Statement of Merchant Function Charge not less than two business days prior to the date on which the statement is proposed to be effective.

     33.1.2   Commodity Related Credit and Collection Expenses

          33.1.2.1   Effective September 1, 2019 and September 1, 2020

               33.1.2.1.1   Residential Commodity Related Credit and Collection Expenses

                    33.1.2.1.1.1   Effective September 1, 2019, the target is set at $1,084,364. Effective September 1, 2020 the target is set at $1,084,637.

                    33.1.2.1.1.2   Applicable to SC No. 1 sales customers and Marketers participating in the Company's Purchase of Receivables program that serve SC No. 1MB transportation customers.

                    33.1.2.1.1.3   The Residential Commodity Related Credit and Collection Expenses per therm rate is determined for the 12-month period beginning September 1, 2019 by dividing the $1,084,364 target by the projected annual deliveries to the SC No. 1 sales customers and applicable SC No. 1MB transportation customers. The per therm rate for September 1, 2020 is determined for 12-month period by dividing the $1,084,637 target by the projected annual deliveries to the SC No. 1 sales customers and applicable SC No. 1MB transportation customers

                    33.1.2.1.1.4   Recoveries of the Residential Commodity Related Credit and Collection Expenses per therm rate for the period September 1, 2019 – August 31, 2020 will be reconciled to the $1,084,364 target. Recoveries of the Residential Commodity Related Credit and Collection Expenses per therm rate for the period September 1, 2020 – August 31, 2021 will be reconciled to the $1,084,637 target.

Issued By: John Bruckner, President, Syracuse, New York