

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 06/01/17
STAMPS:

LEAF: 122.11
REVISION: 1
SUPERSEDING REVISION: 0

GENERAL INFORMATION

37. SERVICE GUARANTEE

- 37.1 The Company will provide a service guarantee for missed appointments made at the customer's request. If the Company does not keep an appointment within the scheduled timeframe, \$30 will be credited to the customer's next bill. Service guarantees will not apply to appointments made for the same day the customer requests service or if events beyond the Company's control (i.e. severe weather) prevent the Company from keeping the scheduled appointment.

38. Gas Safety and Reliability Surcharge

- 38.1 The Gas Safety and Reliability Surcharge ("GSRS") allows the Company to recover (i) a return on investment, depreciation expense and operations and maintenance expense associated with incremental replacement of leak prone pipe ("LPP") above the levels funded in base rates, and (ii) the cost to repair system leaks in excess to the Company's leak backlog targets.
- 38.2 The surcharge will be calculated by taking the revenue requirement for the incremental LPP and leak repair investment divided by firm sales and transportation volumes resulting in a per therm rate. The GSRS will be reconciled annually and included in the DSA recovered from SC 1, 2, 3, 5, 7, 8, 12 and 13 firm sales and firm transportation customers beginning the following May 1st. The GSRS will appear on the Statement of Gas Safety and Reliability Surcharge to be filed not less than three (3) days prior to the effective date.

39. Earnings Adjustment Mechanism

- 39.1 The Earnings Adjustment Mechanism ("EAM") allows the Company to support the Commission's REV objectives and the New York State Energy Plan. The Company will recover earned EAM incentives for CY 2017 and CY 2018 over the twelve months beginning April 1, 2019 and annually each year thereafter.
- 39.2 The per Therm rate will be calculated by allocating the earned incentives to SC 1, 2, 3, 5, 7, 8, 12 and 13 firm sales and firm transportation customers service class based on peak sendout allocator, exclusive of EZR and EJP. The EAM will appear on the Statement of Earnings Adjustment Mechanism to be filed not less than three (3) days prior to the effective date.

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