PSC NO: 219 GAS NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: 10/01/13 STAMPS: LEAF: 96 REVISION: 8 SUPERSEDING REVISION: 7

GENERAL INFORMATION

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

- 17.6.3.1.1 The refund allocable to firm sales customers served under Service Classification Nos. 1, 2, 3, 12 and 13 will be included as a credit in the computation of the Annual Surcharge or Refund per Rule 17.7
- 17.6.3.1.2 The refund allocable to firm transportation customers served under Service Classification Nos. 1, 2, 5, 7, 8, 12 and 13 will either be:
 - 17.6.3.1.2.1 Refunded to those firm transportation customers via the Annual Transportation Imbalance Surcharge or Refund factor set forth on the Gas Transportation Rate Statement for the upcoming calendar year. A per therm refund credit will be computed by dividing the refund by the estimated firm transportation quantities of Service Classification Nos. 1, 2, 5, 7, 8, 12 and 13 for the calendar year in which the refund is to be credited. OR
 - 17.6.3.1.2.2 Refunded to Direct Customers taking firm transportation service under Service Classification Nos. 1, 2, 5, 7, 8, 12 and 13 and/or to ESCOs serving the firm transportation customers via a credit to the Direct Customer / ESCO invoice.
- 17.6.3.2. Refunds credited by pipeline transporters or storage providers to the Company, Direct Customers taking firm transportation service under Service Classification Nos. 1, 2, 5, 7, 8, 12, 13, and/or to ESCOs serving the firm transportation customers
 - 17.6.3.2.1 The Company will treat the portion of the refund that it receives in the same manner as a gas supplier refund as described in Rule 17.6.2.
- 17.6.4. Any under or over recoveries of refunds to firm sales customers served under Service Classification Nos. 1, 2, 3, 12 and 13 will be included in the computation of the next applicable Annual Surcharge or Refund per Rule 17.7.
- 17.6.5 Any under or over recoveries of refunds to firm transportation customers served under Service Classification Nos. 1, 2, 5, 7, 8, 12 and 13 will be included as a per therm adjustment to the Annual Transportation Imbalance Surcharge or Refund factor set forth in the Gas Transportation Rate Statement for the upcoming calendar year and calculated in the same manner as described in Rule 17.6.3.1.2.1.

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