

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 04/01/13
STAMPS: Issued in compliance with order in Case No. 12-G-0202 dated March 15, 2013

LEAF: 122.5.1
REVISION: 1
SUPERSEDING REVISION:

GENERAL INFORMATION

33. MERCHANT FUNCTION CHARGE: (continued)

33.1.2 Commodity Related Credit and Collection Expenses (continued)

33.1.2.2.4 Recoveries of the Non Residential Commodity Related Credit and Collection Expenses per therm rate for the period April 1, 2013 to March 31, 2014 and each subsequent 12-month period ending March 31st thereafter will be reconciled to the \$145,782 annual target.

33.1.2.2.5 The resulting over or under collection (adjusted for simple interest at the Commission's other customer capital rate) will be divided by the projected annual deliveries to the SC Nos. 2, 3, 12 and 13 sales customers and the applicable SC Nos. 2MB, 5, 7, 8, 12DB, 12MB and 13MB transportation customers to determine a per therm credit or surcharge to be refunded or recovered over the 12-month period beginning the June 1st after the reconciliation period. The per therm credit or surcharge will be added to the Commodity Related Credit and Collection Expense per therm rate in effect at that time.

33.1.2.3 The Commodity Related Credit and Collection Expense rates 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.

33.1.3 Commodity Related Uncollectible Expenses

33.1.3.1 Effective April 1, 2013

33.1.3.1.1 Applicable to: 1) SC Nos. 1, 2, 3, 12 and 13 sales customers and 2) Marketers participating in the Company's Purchase of Receivables program.

33.1.3.1.2 The Uncollectible Rate is set at: 1) 3.5% for SC Nos. 1 and 1MB and 2) 0.5% for SC Nos. 2, 2MB, 3, 5, 7, 8, 12, 12DB, 12MB 13 and 13MB.

33.1.3.2 Sales Customers taking service under SC Nos. 1, 2, 3, 12 and 13

33.1.3.2.1 The Commodity Related Uncollectible Expenses per therm rate is determined monthly for each sales class by multiplying: 1) the Monthly Cost of Gas calculated per Rule 17.3 and set forth on the Statement of Monthly Cost of Gas by; 2) the applicable Uncollectible Rate.

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