Received: 07/31/2006
Status: CANCELLED
Effective Date: 08/01/2006

29. ENERGY COST ADJUSTMENT MECHANISM (Cont'd)

Miscellaneous Charges Factor (Cont'd)

Effective July 1, 2007 the Miscellaneous Charges factor so determined will be added to a service class-specific component for Merchant Function Charge (MFC) net lost revenues, as described in General Information Section 36. Such component will be determined by dividing one twelfth of the annual forecast of MFC net lost revenues for each service class by an estimate of total billed delivery sales for each service class.

The Company will reconcile Miscellaneous Charges recoveries with actual costs/benefits and refund to or collect from customers any over or under recoveries on a monthly basis through the Miscellaneous Charges factor. The Company will also reconcile MFC net lost revenue recoveries with the forecast of MFC net lost revenue on a service class basis and refund to or collect from customers any over or under recoveries on a monthly basis. These reconciliation adjustments will be developed on a three (3) month lag.

Purchased Power Adjustment Factor (PPA)

The PPA factor, also referred to as the Transition Power Agreement/Purchased Power Agreement (TPA/PPA) Benefit mechanism in the Joint Proposal in Case 00-E-1273, as approved by the Public Service Commission in its Order issued and effective October 25, 2001, is designed to refund to or collect from all delivery customers the benefits or costs of the Company's Transition Power Agreement and Purchased Power Agreement (Agreements) with the new owners of the fossil generating and nuclear generating plants, respectively, previously owned by the Company.

The PPA benefit/cost will be determined each month as the difference between the contract cost of the energy, installed capacity and ancillary services purchased under the Agreements, regardless of whether the actual purchases were transacted through a financial arrangement, and the cost the Company would have incurred if these requirements had been purchased solely from the NYISO market, as calculated

Cancelled by 6 Rev. Leaf No. 106 Effective 07/01/2007