

JANUARY 2013 REVENUE FROM TRANSMISSION OF ENERGY

Account	Description	Month of Jan-2013
	Grandfathered Wheeling Revenue	3,815,442
	Regional Transmission Service	1,963,070
	Congestion Balancing Settlement	(2,945,906)
	Amortization of NYISO TCC Auction Revenues (Including Native Load Reconfiguration)	4,325,901
	NYISO TCC Congestion Revenues (G&E)	0
	NYISO TRAC Deferral/Reversal	1,571,713
	TOTAL WHOLESALE TRANSMISSION REVENUE BOOKED	<u>\$ 8,730,221</u>
	Adjustments (exclusions) for TRAC calculation:	
	NYISO TRAC Deferral/Reversal	<u>\$ (1,571,713)</u>
a	TRANSMISSION REVENUE (for TRAC CALCULATION)	<u>\$ 7,158,508</u>
b	TRAC Base Value - JANUARY 2013	<u>\$ 10,637,777</u>
c	TRAC Deferral Booked	<u>\$ 3,479,269</u>
d	TRAC Cap Carryover from Prior Month	<u>0</u>
e	Sub-Total	<u>\$ 3,479,269</u>
g	Monthly Cap ²	<u>\$ 6,000,000</u>
h	TRAC Deferral Over/(Under) \$6M Monthly Cap or (Over)/Under (\$6M) Cap	<u>\$ (2,520,731)</u>
	TRAC Surcharge/(Refund) to Retail Customers	<u>\$ 3,479,269</u>
	TRAC Cap Carryover to be Applied to Next Month	<u>\$ -</u>

Based on forecast of Transmission Revenue used in Case No. 10-E-0050, effective January 2011

² Based on Rule No. 43.5.1 and Fourth Revised Leaf No. 71-Q1 to PSC No. 207 Electricity effective December 19, 2005 whereby the New York Public Service Commission and National Grid agreed to apply a monthly cap to limit the difference between forecasted and actual transmission revenue in one month to alleviate the impact when these situations occur. Specifically, the monthly cap is \$6 million on the monthly TRA calculation, plus or minus, with any excess deferred over to the next cost month. If the \$6 million cap is reached for another two consecutive months, the cap will be raised to \$8 million, on a going forward basis.

³ These revenues were not part of the derivation of the \$123,475,046 TRAC benchmark in the 2001 National Grid USA and Niagara Mohawk Joint Proposal.