

**MARCH 2012 REVENUE FROM TRANSMISSION OF ENERGY**

Account	Description	Month of March 2012
110033	Grandfathered Wheeling Revenue	\$ 3,829,370
110031	Regional Transmission Service	1,488,733
110038	Congestion Balancing Settlement	354,516
110038	Amortization of NYISO TCC Auction Revenues (Including Native Load Reconfiguration)	6,039,978
110038	NYISO TCC Congestion Revenues (G&E)	0
110038	NYISO TRAC Deferral/Reversal	(1,113,238)
TOTAL WHOLESALE TRANSMISSION REVENUE BOOKED		\$ 10,599,359
<b>Adjustments (exclusions) for TRAC calculation:</b>		
	NYISO TRAC Deferral/Reversal	\$ 1,113,238
<b>a</b>	TRANSMISSION REVENUE (for TRAC CALCULATION)	\$ 11,712,596
<b>b</b>	TRAC Base Value - March 2012	\$ 10,637,777
<b>c</b>	TRAC Deferral Booked	\$ (1,074,819)
<b>d</b>	TRAC Cap Carryover from Prior Month	0
<b>e</b>	Sub-Total	\$ (1,074,819)
<b>g</b>	Monthly Cap <sup>2</sup>	\$ (6,000,000)
<b>h</b>	TRAC Deferral Over/(Under) \$6M Monthly Cap or (Over)/Under (\$6M) Cap	\$ 4,925,181
	TRAC Surcharge/(Refund) to Retail Customers	\$ (1,074,819)
	TRAC Cap Carryover to be Applied to Next Month	\$ -

<sup>1</sup> Based on 2001 forecast in National Grid USA and Niagara Mohawk Joint Proposal merger filing. Updated Forecast as of Jan. 2011

<sup>2</sup> 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.