

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 06/01/12
STAMPS:

LEAF: 122.5
REVISION: 5
SUPERSEDING REVISION: 4

GENERAL INFORMATION

33. MERCHANT FUNCTION CHARGE: (continued)

33.1.2.2.1.4 The resulting over/under collection will be divided by the projected SC1 sales plus the Marketer's projected deliveries to the SC 1MB transportation customers to determine a per therm credit or surcharge to be refunded or recovered over the 12-month period starting June 1, 2014 and each 12-month period starting June 1st thereafter. 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.

33.1.2.2.2 For SC 2, 3, 12 and 13 sales customers and Marketers participating in the Company's Purchase of Receivables program that serve the SC 2MB, 12MB, 13MB, 5, 7 and 8 transportation customers.

33.1.2.2.3 The Commodity Related Credit and Collection Expenses annual target will equal \$205,865.

33.1.2.2.4 The Commodity Related Credit and Collection Expenses per therm rate will be determined each April 1st by dividing the \$205,865 annual target by the projected sales of the SC 2, 3, 12 and 13 sales customers plus the Marketer's projected deliveries to the SC 2MB, 12MB, 13MB, 5, 7 and 8 transportation customers.

33.1.2.2.5 The Commodity Related Credit and Collection Expenses recovered for the period April 1, 2013 to March 31, 2014 and for each subsequent 12-month period ending March 31st thereafter will be reconciled to the \$205,865 annual target.

33.1.2.2.6 The resulting over/under collection will be divided by the projected sales of the SC 2, 3, 12 and 13 sales customers plus the Marketer's projected deliveries to the SC 2MB, 12MB, 13MB, 5, 7 and 8 transportation customers to determine a per therm credit or surcharge to be refunded or recovered over the 12-month period starting June 1, 2014 and each 12-month period starting June 1st thereafter. 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.

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