Received: 01/29/2010 Status: CANCELLED Effective Date: 02/01/2011

PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: MARCH 1, 2010 LEAF: 222.1 REVISION: 0 SUPERSEDING REVISION:

## GENERAL INFORMATION

## 42. MERCHANT FUNCTION CHARGE

- 42.4 Electricity Supply Related Credit and Collection Expense
  - 42.4.1 The Electricity Supply Related Credit and Collection Expense rate of \$0.00053 per kWh for non-demand; \$0.00053 for demand, \$0.00044 for street lighting is included in the MFC.
    - 42.4.1.1 ESCos who are participating in the Company's Purchase of Receivables Program are subject to the Electricity Supply Related Credit and Collection Expense rates in Rule No. 42.4.1 above.
  - 42.4.2 The per kWh Electricity Supply Related Credit and Collections Rate in Rule No. 42.4.2 shall be included in the filed Statement of Merchant Function not less than three (3) days prior to its effective date.
- 42.5 Electricity Supply Related Uncollectible Expense
  - 42.5.1 The Electricity Supply Related Uncollectible Expense charge will be determined separately for non-demand, demand and street lighting customers. The charge will be calculated by multiplying the uncollectible percentage factor by commodity revenue on customer's bills. The uncollectible percentage factor will be 2.68% for non-demand customers, .40% for demand, and .05% for street lighting customers and will be applied to customers Electricity Supply Charge.
    - 42.5.1.1 The uncollectible percentage factor will be updated on an annual basis based on actual uncollectible expenses for the prior year.
  - 42.5.2 The Electricity Supply Related Uncollectible Expense percentage factor will be filed on the Statement of Merchant Function Charge not les than three (3) days prior to its effective date.
- 42.6 Return on Working Capital for Purchased Power
  - 42.6.1 The Return on Working Capital for Purchased Power charge will be calculated by multiplying the working capital percentage factor of .425% by commodity revenue on customer's bills.
    - 42.6.1.1 The Return on Working Capital for Purchased Power percentage factor will be filed on the Statement of Merchant Function Charge not less than three (3) days prior to its effective date.

Cancelled by supplement No. 9 effective 0.15 Supplement No. 9 effective 0.15 Supplement No. 8. King, President, Syracuse, NY Suspended to 02/01/2011 by order in Case 10-E-0050. See Supplement No. 8. The supplement filing date was 12/22/2010 Suspended to 12/29/2010 by order in Case 10-E-0050. See Supplement No. 5. The supplement filing date was 06/17/2010 Suspended to 06/29/2010 by order in Case 10-E-0050. See Supplement No. 3. The supplement filing date was 02/10/2010