

PSC NO: 220 ELECTRICITY  
 NIAGARA MOHAWK POWER CORPORATION  
 INITIAL EFFECTIVE DATE: APRIL 27, 2009

LEAF: 149  
 REVISION: 0  
 SUPERSEDING REVISION:

### GENERAL INFORMATION

#### 29. DELIVERY CHARGE ADJUSTMENT (Continued)

29.2.2 Amortized buyout or buy-down costs of IPP contracts provided that such monthly amortization schedule is established at the time of the buyout or buydown and is equal to the projected monthly purchased power savings until such time that either (I) the net present value of the amortization schedule inclusive of return at the Company cost of capital is equal to the buyout or buy-down cost or (II) the remaining amortization is included in any applicable CTC reset, minus

29.2.3 The over-market variable costs on Table 29.2.3 for the respective cost month, minus

TABLE 29.2.3

(\$000)

(Amounts exclude purchase for resale programs' costs and NYPA residential costs)

January 2008	\$3,288	January 2009	(\$22,271)
February	937	February	(19,307)
March	2,207	March	(21,198)
April	1,445	April	(17,244)
May	5,383	May	(13,363)
June	5,405	June	(13,233)
July	(11,044)	July	(11,963)
August	(11,769)	August	(12,376)
September	(12,867)	September	(15,195)
October	(17,762)	October	(16,616)
November	(17,701)	November	(15,314)
December 2008	(\$15,176)	December 2009	(\$14,847)

29.2.4 The net sum of (1) Rule 46, less Ancillary Services and NTAC charged plus (2) Rule 29.1 revenues, which may be negative, from customers for the respective cost month inclusive of all applicable service classes, minus (3) the product of the actual NYPA Rural and Domestic ("R&D") residential Niagara hydro purchase supplies, times the market value of the NYPA R&D as measured by the product of (i) the NYPA Rural and Domestic ("R&D") residential hydro purchase supplies, in kWh times (ii) the forecast energy and capacity market price used to establish the over-market variable cost, minus

29.2.5 Commodity revenues received from SC-3A customers served under Option 2, minus

29.2.6 Wholesale sales revenues associated with wholesale sales by Niagara Mohawk during the respective cost month, plus or minus

29.2.7 Costs deferred from previous months pursuant to Rule 29.2.10.

Issued by Thomas B. King, President, Syracuse, NY