

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION

INITIAL EFFECTIVE DATE: 02/01/22

STAMPS: Issued in compliance with order in Case 20-G-0381 dated January 20, 2022

LEAF: 122.2

REVISION: 14

SUPERSEDING REVISION: 12

GENERAL INFORMATION**32. REVENUE DECOUPLING MECHANISM:**

- 32.1 Commencing with the 12-month period beginning July 1, 2021 and each subsequent 12-month period beginning July 1st thereafter, Service Classifications Nos. 1, 2, and 7 will be subject to an RDM to reconcile actual delivery service revenues to allowed delivered service revenues.
- 32.1.1 Actual Delivery Service Revenues (inclusive of Deferral Surcredits in Rule 41) are defined as revenues from delivery rates adjusted for the Weather Normalization Adjustment, excluding Gross Receipts Taxes, Merchant Function Charge Revenue, Net Revenue Sharing Surcharge/Credit Revenue, Research and Development Surcharge Revenue, Empire Zone Rider discounts, Excelsior Jobs Program revenue, System Benefits Charge Revenues, discounts and customer charges associated with the Low Income Program, System Performance Adjustment, Gas Safety and Reliability Surcharge, Earnings Adjustment Mechanism and all other applicable credits and surcharges.
- 32.1.2 Allowed Delivery Service Revenues (inclusive of Deferral Surcredits in Rule 41) will be developed using revenue per class ("RPC") targets, which are based upon the annual service classes and volume forecast underlying the rates adopted in Case 20-G-0381. The annual revenue per class targets are as follows:

Service Class	Effective 07/01/2021	Effective 07/01/2022	Effective 07/01/2023
SC 1 - Residential Heat and Non-Heat	\$302,050,626	\$322,310,057	\$337,493,219
SC 2 - Residential, Commercial and Industrial	\$63,113,672	\$67,969,126	\$71,620,877
SC 7 - Small Volume Firm Sales and Transportation	\$14,363,622	\$15,646,110	\$17,080,690