

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE MAY 1, 2019

LEAF: 229.2
REVISION: 7
SUPERSEDING REVISION: 6

STAMPS: Issued in Compliance with Order in Case 17-E-0238 Issued April 24, 2019.

GENERAL INFORMATION

46. SUPPLY SERVICE CHARGES (Continued)

46.3.1.3 The New Hedge Adjustment factor shall be calculated monthly and shall be based upon the sum of the monthly forecasted contract costs and monthly forecasted market values of New Hedges, plus any applicable reconciliation balance from prior periods determined pursuant to Rule 46.3.1.4. The market value of the New Hedges will be determined based on the forecasted monthly market prices as set forth in 46.1.1. In addition, the New Hedge Adjustment shall include costs incurred by the Company in performing hedging activities, and such costs may take the form of costs of premiums for options, insurance premiums, letters of credit fees, and margining financial transaction costs. The New Hedge Adjustment shall be calculated as the amount so determined applicable for the zone(s) divided by the forecasted zonal kWh sales of customers on Service Classification Nos. 1 and 2 (Non Demand) receiving Electricity Supply Service from the Company.

46.3.1.4 The New Hedge Adjustment shall be subject to reconciliation in which the actual net market value for the zone(s) shall be calculated and compared to the actual revenue billed for the zone(s) for the applicable month. Any reconciliation balance, whether positive or negative, shall be included in the adjustment of subsequent periods pursuant to Rule 46.3.4.

46.3.2 Mass Market Adjustment – The variance in the forecasted monthly market prices upon which Mass Market customers are billed for a month and the actual monthly market prices for the same month and applicable to SC-1, with the exception of Special Provision L, and SC-2 (Non-Demand) customers taking Electricity Supply Service from the Company.

46.3.2.1 The Mass Market Adjustment shall be calculated monthly as the difference between the forecasted zonal monthly market prices determined pursuant to Rule 46.1.1 and the actual zonal monthly market prices for the same month, multiplied by the kWh sales billed to Mass Market customers during the applicable billing month.

46.3.2.2 The Mass Market Adjustment factor shall be calculated monthly as the amount determined pursuant to Rule 46.3.2.1 divided by the forecasted zonal kWh sales for the applicable month of customers on Service Classification Nos. 1 and 2 (Non Demand) receiving Electricity Supply Service from the Company. Any reconciliation balance, whether positive or negative, shall be included in the adjustment of subsequent periods pursuant to Rule 46.3.4.

46.3.3 Supply Service Adjustment –

46.3.3.1 A Supply Service Adjustment will be determined for non-hourly priced customers and hourly priced customers defined respectively as customers served under the following service classes and provisions:

46.3.3.1.1 Service Classifications No. 1, Service Classification No. 1 (Special Provision L), Service Classification No. 1C, , No. 2 (Non-Demand), Service Classification No. 2 ND (Special Provision O), Service Classifications No. 2 Demand, and Service Classification No. 3 (excluding customers on Mandatory Hourly Pricing-Special Provision L and Voluntary Hourly Pricing-Special Provision N) and all Service Classifications of PSC No. 214 Customers (“Non-hourly Priced Customers”); and