

PSC NO: 220 ELECTRICITY

LEAF: 263.3

NIAGARA MOHAWK POWER CORPORATION

REVISION: 7

INITIAL EFFECTIVE DATE: SEPTEMBER 17, 2021

SUPERSEDING REVISION: 5

STAMPS: Issued in Compliance with Order in Case 15-E-0751 issued August 13, 2021.

GENERAL INFORMATION

57. REVENUE DECOUPLING MECHANISM ("RDM") (Continued)

57.1.2 (Continued)

57.1.2.2 NYPA customers, including Recharge New York ("RNY") customers, will not be subject to the RDM on the NYPA/RNY portion of their load, however, ATR and billed delivery service revenue associated with the NYPA load of customers who receive NYPA/RNY power will be included in the RDM. RNY customers that receive credits under the provisions of Rule Nos. 29, 36, 37 and 40 are excluded from this exemption and will be subject to the RDM surcharge; and

57.1.2.3 Empire Zone Rider ("EZR") and Excelsior Jobs Program ("EJP") customers shall not be subject to an RDM charge or credit on the EZR/EJP portion of their loads.

Customers identified in Rule 57.1.2.1 who also receive NYPA Expansion and Replacement power under Rule 57.1.2.2 have the option to participate in the RDM for delivery service revenue associated with their non-NYPA load to the extent they are also subject to the System Benefits Charge ("SBC") under Rule 41 or opt to become subject to the SBC.

57.1.3 The RDM reconciliation period reflects a twelve month period for which actual billed delivery service revenues will be reconciled to the ATR for each Reconciliation Group in Rule 57.2. Annually, the Company shall calculate a credit or surcharge to be assessed to customers included in the RDM as follows:

57.1.3.1 If the RDM reconciliation has a positive balance, then the RDM adjustment will be a credit to customer's bills. If the RDM reconciliation has a negative balance, then the RDM adjustment will be a surcharge on customer's bills.

57.1.3.2 The RDM adjustment will be calculated by dividing the resulting difference for each Reconciliation Group by each Reconciliation Group's forecasted sales and applied on a volumetric basis, per kWh for Reconciliation Groups 1, 2, and 6, and per kW for Reconciliation Groups 3, 4, and 5.

57.1.3.3 The RDM adjustment will be effective over a twelve month period, April 1 through March 31, ("RDM adjustment period") commencing with the May billing month in the year following the RDM reconciliation period.

57.1.3.4 Interest shall accrue on each Reconciliation Group's balance at the applicable other customer deposit rate commencing at the end of the RDM reconciliation period and ending at the end of the RDM adjustment period. Interest shall be estimated for the purpose of calculating the RDM adjustment.

57.1.3.5 The amount to be credited or surcharged to customers, plus interest through the refund/recovery period, shall be subject to reconciliation against actual amounts credited or surcharged and interest.