

PSC NO: 220 ELECTRICITY  
NIAGARA MOHAWK POWER CORPORATION  
INITIAL EFFECTIVE DATE: JULY 1, 2021

LEAF: 229.3  
REVISION: 7  
SUPERSEDING REVISION: 6

#### GENERAL INFORMATION

#### 46. SUPPLY SERVICE CHARGES (Continued)

46.3.3.4 The Supply Service Adjustment shall be subject to reconciliation in which the reconciliation amount determined in accordance with Rules 46.3.3.1 and 46.3.3.2 shall be compared to the actual revenue billed by the Supply Service Adjustment factor 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.

46.3.4 Supply Reconciliation Balance – The charges or credits associated with -supply reconciliations for Mass Market customers that are delayed from the typical two month lag.

46.3.4.1 Generally, reconciliations will be performed on a two month lag basis. Any delay in these reconciliations will be implemented through the Supply Reconciliation Balance. Any subsequent reconciliations of the Supply Reconciliation Balance caused by sales variances will occur within the reconciliation of the New Hedge Adjustment.

46.3.5 Clean Energy Standard Supply (“CESS”) Charge - All customers receiving supply service in accordance with Rule 46.1 will be subject to the Clean Energy Standard Supply (“CESS”) charge. The CESS will consist of:

46.3.5.1 Renewable Energy Standard (“RES”) charge – The costs associated with the CES RES program, where the Company procures qualifying RECs and/or remits ACPs as mandated by the Commission orders in Case 15-E-0302. The RES charge also includes the costs associated with the purchase of ORECs as mandated by the OSW Standard in Case 18-E-0071. The RES charge will be calculated by dividing the annual RES costs by the forecast annual kWh sales of all customers receiving Electricity Supply Service from the Company for the applicable period.

46.3.5.2 Any costs associated with purchases of RECs or ACPs that have occurred or are forecasted to occur for the period of January 1, 2017 through March 31, 2018 will be included in the first year RES calculations beginning April 1, 2017. Commencing April 1 2018, the RES charge calculation will be performed on an annual basis for the upcoming April through March period.

46.3.5.3 Zero-Emissions Credit (“ZEC”) Charge – The costs associated with the CES ZEC requirements, where the Company is contractually obligated to purchase ZECs from NYSERDA during the ZEC Compliance Year. The annual ZEC cost, as determined by NYSERDA for the ZEC Compliance Year, will be divided by the forecast annual kWh sales of all customers receiving Electricity Supply Service from the Company for the applicable period.