PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: JUNE 1, 2017

LEAF: 263.4 REVISION: 2 SUPERSEDING REVISION: 1

GENERAL INFORMATION

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

57.2.1 The interim RDM adjustment shall be calculated as follows:

57.2.1.1 Based upon forecasted sales and applied on a volumetric basis, per kWh for Reconciliation Groups 1, 2, and Street Lighting, and per kW for Reconciliation Groups 3, 4, and 5.

57.2.1.2 For balances to be addressed by an interim RDM adjustment to be in effect when there are five or more months remaining in the RDM reconciliation period, then the forecast upon which the interim RDM adjustment is to be based shall be for the period beginning with the effective date of the interim RDM adjustment and ending with the end of the RDM reconciliation period.

57.2.1.3 For balances to be addressed by an interim RDM adjustment to be in effect when there are four or fewer months remaining in the RDM reconciliation period, then the forecast upon which the interim RDM adjustment is to be based shall be for the period beginning with the effective date of the interim RDM adjustment and ending with the effective date of the annual RDM adjustment pursuant to Rule 57.1.3.3.

57.2.2 The interim RDM adjustment shall be assessed to eligible customers only through the end of the RDM reconciliation period. Any remaining balance shall be reflected in the annual RDM adjustment under Rule 57.1.3.

57.2.3 The interim RDM adjustment will be effective on ten days' notice and set forth on a statement filed with the Public Service Commission.

57.3 The RDM adjustment will be effective on three days' notice and set forth on a statement filed with the Public Service Commission. The RDM reconciliation for the prior RDM reconciliation period shall accompany the statement.