

PSC NO: 220 ELECTRICITY  
NIAGARA MOHAWK POWER CORPORATION  
INITIAL EFFECTIVE DATE: APRIL 1, 2018  
STAMPS: Issued in Compliance with Order in Case 17-E-0238 Issued March 15, 2018.

LEAF: 263.3  
REVISION: 5  
SUPERSEDING REVISION: 3

#### GENERAL INFORMATION

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

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.

57.2 If in any month, the total of the cumulative monthly reconciliation balance, based on monthly actual billed delivery service revenue and an allocation of the ATR for the applicable RDM reconciliation period to the months in that period, for any of the Reconciliation Groups in Rule 57.1.2 above, is greater than 1.5% of the Company's ATR for that Reconciliation Group for that year, the Company will file an interim RDM adjustment for each affected Reconciliation Group for the remainder of the calendar year.