

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 10/01/13
STAMPS:

LEAF: 95
REVISION: 5
SUPERSEDING REVISION: 4

GENERAL INFORMATION

17. ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF PURCHASED GAS: (continued)

17.6 Refund Provision:

17.6.1 In the event that the rates and charges of the Company's gas suppliers, pipeline transporters or storage providers are retroactively reduced and the Company receives a refund for excess charges paid, the total amount of the refund adjusted to include simple interest at the Commission's Other Customer Capital Rate will be returned to the Company's firm customers except for:

17.6.1.1 Refunds applicable to the period November 1, 1996 through October 31, 1999, which shall be retained by the Company in accordance with the Company's Settlement Agreement in Case No. 95-G-1095.

17.6.1.2 Certain refunds from the Tennessee Gas Pipeline, pursuant to the Commission's Order in Case 10-G-0251 dated October 20, 2010, applicable to the period November 1, 1996 through October 31, 1999, which shall be retained by the Company in accordance with the July 23, 2003 Commission Order Adopting Memorandum of Agreement in Case 01-M-0075. The balance of the Tennessee Gas Pipeline refunds in this Case shall be credited over a 12-month period to firm sales customers provided service under Service Classification Nos. 1, 2, 3, 12 or 13 and to firm transportation customers provided service under Service Classification Nos. 1MB, 2MB, 5, 7, 8, 12MB and 13MB. The Refund Credit Rate shall be computed by dividing the refund including interest set by the Commission by the sum of the estimated firm sales and firm transportation quantities during the refund period. The Refund Credit Rate shall be set forth as a credit to the Delivery Service Adjustments. This Refund Credit Rate shall be set forth on the Statement of Tennessee Pipeline Refund to be filed with the Commission not less than thirty (30) days prior to the effective date.

17.6.2 Gas Supplier Refunds

17.6.2.1 The Company will credit gas supplier refunds to firm sales customers served under Service Classification Nos. 1, 2, 3, 12 and 13.

17.6.2.2 The refund will be included as a credit in the computation of the Annual Surcharge or Refund per Rule 17.7.

17.6.3 Refunds from Pipeline Transporters and Storage Providers

17.6.3.1 Refunds credited by pipeline transporters or storage providers to the Company only

Issued By: Kenneth D. Daly, President, Syracuse, New York