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PSC NO: 220 ELECTRICITY LEAF: 222.2 NIAGARA MOHAWK POWER CORPORATION REVISION: 3 INITIAL EFFECTIVE DATE: APRIL 1, 2013 SUPERSEDING REVISION: 1

STAMPS: Issued in Compliance with Order of PSC in Case 12-E-0201 issued March 15, 2013

GENERAL INFORMATION

42. MERCHANT FUNCTION CHARGE (CONTINUED)

- 42.3.4 Working Capital on Purchased Power Costs
 - 42.3.4.1 The Working Capital on Purchased Power rates will be calculated by multiplying the working capital percentage factor of 0.350% by the Electricity Supply Cost and ESRM, inclusive of the New Hedge Adjustment, on customers' bills.