

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 06/01/14
STAMPS:

LEAF: 14
REVISION: 2
SUPERSEDING REVISION: 1

GENERAL INFORMATION

1. DEFINITIONS AND ABBREVIATIONS: (continued)

- 1.9 "Surcharge" is a charge payable by customer to Company, in addition to the charge for gas under the applicable service classification, pursuant to the provisions of Rule 10.
- 1.10 A "Public Right-of-Way" means the territorial limits of any street, avenue, road or way (other than a limited access thoroughfare) that is for any highway purpose under the jurisdiction of the State of New York or the legislative body of any county, city, town or village and is open to public use.
- 1.11 "Adjusted Gas Revenue" means the revenue realized from the applicable service classification rates and charges less revenue taxes, the cost of gas, and the minimum charge. The cost of gas shall be computed by multiplying the average cost of gas per unit as used in the Monthly Cost of Gas (MCG) calculation by the units of gas used.
- 1.12 "Asset Management Agreement" means a transaction where the Company releases a portion of its upstream capacity rights to a third party subject to satisfaction by that third party of certain specified gas supply requirements of the Company. All such agreements must be structured in accordance with the regulations of the Federal Energy Regulatory Commission.
- 1.13 "Net Revenue" means the revenue realized from the applicable service classification rates and charges less revenue taxes and the cost of gas.
- 1.14 "Off-System Transactions" may include gas sales, gas transportation and other gas transactions performed with customers located outside of the Company's service territory; capacity release transactions other than those performed pursuant to Service Classification No. 11; and Asset Management Arrangements.
- 1.15 "Pre-tax Weighted Average Cost of Capital ("pre-tax WACC") is set forth as follows:
April 2013 – March 2014: 9.44%
April 2014 – March 2015: 9.59%
April 2015 – March 2016 and thereafter: 9.79%
- 1.16 "Lead-Lag Rate" is set equal to 6.8%.
- 1.17 "SC Nos. 1, 2, 12 and 13": Unless otherwise specified in this tariff, references to these service classes are applicable to both sales and transportation (delivery only) customers.

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