

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: JULY 17, 2014

LEAF: 263.1
REVISION: 8
SUPERSEDING REVISION: 7

GENERAL INFORMATION

56. INCREMENTAL STATE ASSESSMENT SURCHARGE/CREDIT ("ISAS"):

56.1 The rates and charges under PSC No. 220, Service Classifications 1, 1C, 2, 3, 3A, 4, 7 and all PSC No. 214 service classifications, shall be adjusted by a surcharge or a credit to recover the Temporary State Energy And Utility Service Conservation Assessment pursuant to Chapter 59 of the Laws of 2009, Public Service Law §18-a(6). Beginning July 1, 2014 and each July 1st thereafter, the Incremental State Assessment Surcharge ("ISAS") shall be designed to recover or credit the Incremental State Assessment and other allowable associated costs and credits as determined in Case 09-M-0311.

56.1.1 This surcharge/credit may also be applicable to PSC No. 220 Service Classifications No. 12 in accordance with the terms of their individual contracts.

56.1.2 The surcharge/credit will also be applicable to kW consumption associated with Empire Zone qualifying load and NYPA hydro sales under SC No. 4, Replacement and Expansion Power, Economic Development Power, Power for Jobs, Recharge New York Power, Preservation Power, as well as Excelsior Jobs Program qualifying load.

56.2 The Incremental State Assessment shall be allocated to each service classification based on the percentage of each service classification's contribution to the total projected Intrastate Revenue (both delivery and supply) and delivery revenue associated with Rule No. 56.1.2, including estimated sales revenues for the electricity supply sold to end-use customers by ESCos.

56.2.1 The ISAS shall be calculated by dividing the amount of Temporary State Energy and Utility Service Conservation Assessment for each service class as determined in Rule 56.2 by the forecasted annual sales.

56.2.2 The ISAS will be collected/credited on a volumetric basis, per kWh for non-demand classes and per kW for demand service classifications.

56.2.2.1 For SC3A customers, ISAS charges/credits will be based on the customer's highest on-peak demand in the billing period.

56.2.3 Recoveries resulting from the Incremental State Assessment Surcharge shall be reconciled as determined in Case 09-M-0311.

56.3 The ISAS will be shown on statements filed with the Public Service Commission not less than fifteen (15) days' notice before the date on which the statement is proposed to be effective or as directed in subsequent PSC orders.

Issued by Kenneth D. Daly, President, Syracuse, NY