Statement of Merchant Function Charge

The following amounts, in cent(s) per kilowatthour, are applicable to billing to Full Service Customers subject to the Market Supply Charge pursuant to General Rule 25.3:

<table>
<thead>
<tr>
<th></th>
<th>SC 1</th>
<th>SC 2</th>
<th>SCs 5, 6, 8, 9, 12, and 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply-related charge</td>
<td>0.1982</td>
<td>0.2079</td>
<td>0.1354</td>
</tr>
<tr>
<td>Credit and collection-related charge</td>
<td>0.2060</td>
<td>0.2205</td>
<td>0.0433</td>
</tr>
<tr>
<td>Uncollectible-bill expense associated with the Market Supply Charge</td>
<td>0.1578</td>
<td>0.0764</td>
<td>0.0764</td>
</tr>
<tr>
<td>Transition Adjustment</td>
<td>(0.0126)</td>
<td>(0.0126)</td>
<td>(0.0126)</td>
</tr>
<tr>
<td>Total Merchant Function Charge</td>
<td>0.5494</td>
<td>0.4922</td>
<td>0.2425</td>
</tr>
</tbody>
</table>

Determination Date: August 27, 2014

Issued by: William A. Atzl, Jr., Director, Rate Engineering, New York, NY