

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: ~~SEPTEMBER 1~~ SEPTEMBER 15, 2014

LEAF: 229.1.1
REVISION: 5
SUPERSEDING REVISION: 3

GENERAL INFORMATION

46. SUPPLY SERVICE CHARGES (Continued)

46.2.6.6 The portion of the NYPA Benefit associated with the RCD payment shall be subject to reconciliation in which the RCD payment value shall be compared to the actual revenue billed by the factor in Rule 46.2.6.5 for the applicable month. Any reconciliation balance, whether positive or negative, shall be included in the Rule 46.2.6.5 factor in effect two months later.

The monthly RCD payment provided to customers shall not exceed the total monthly electric utility bill for each customer, and shall be shown as a separate factor on the Supply Service Charge Statement.

46.2.6.7 The RAD Program is applicable to agricultural customers who receive their electric service at the Company's residential rates, SC 1 and SC 1-C, of this schedule. The RAD Program is administered on an annual basis from September 1 to August 31 of each year.

46.2.6.7.1 Customers must initially apply for the RAD Program by filling out the Company's Application for Residential Agricultural Discount ("RAD") Program Form and by providing the Company with either:

1) a ~~A~~ copy of Internal Revenue Service Form ("IRS") - Schedule F (Form 1040) -Profit or Loss From Farming as filed with the customer's most recent federal income tax return; or,

2) -A Form 1120, 1120S, or 1065 as filed with the customer's most recent federal income tax return. The Business Activity indicated on the form must be one of the Business Activity codes listed below:

Agriculture, Forestry, Fishing and Hunting

Crop Production

111100 - Oilseed & Grain Farming

111210 - Vegetable & Melon Farming (including potatoes & yams)

111300 - Fruit & Tree Nut Farming

111400 - Greenhouse, Nursery, & Floriculture Production

111900 - Other Crop Farming (including tobacco, cotton, sugarcane, hay, peanut, sugar beet & all other crop farming)

Animal Production

112111 - Beef Cattle Ranching & Farming

112112 - Cattle Feedlots

112120 - Dairy Cattle & Milk Production

112210 - Hog & Pig Farming

112300 - Poultry & Egg Production

112400 - Sheep & Goat Farming

112510 - Aquaculture (including shellfish & finfish farms & hatcheries)

112900 - Other Animal Production

Forestry and Logging

113110 - Timber Tract Operations

113210 - Forest Nurseries & Gathering of Forest Products

113310 - Logging

Fishing, Hunting and Trapping

114110 - Fishing

114210 - Hunting & Trapping

Attachment 1

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46. SUPPLY SERVICE CHARGES (Continued)

46.2.6.7.2 The RAD shall be calculated monthly based on the monthly forecast sales of each customer who the Company has received the required documentation in Rule 46.2.6.7.1 above and is scheduled to receive a credit under the RAD Program.

46.2.6.7.3 The RAD will be applied to customers bills no later than three billing cycles from when the Company receives the completed application form and a copy of the customer's filed IRS Schedule F. Once received, the customer will be eligible to receive credits for a 12-month period of September 1 to August 31.

46.2.6.7.3.1 Customers must reapply by July 1 of each year by providing all documentation as stated in Rule 46.2.6.7.1 above, their current IRS Schedule F as filed with their federal income tax return

46.2.6.7.3.2 If the ~~above~~ documentation in Rule No. 46.2.6.7.~~31~~ is not received by July 1, customers will forego their RAD credit on August 31 until the documentation in Rule 46.2.6.7.1 is provided to the Company

46.2.6.7.4 The RAD shall be subject to a monthly reconciliation for any over/under credits. Any over/under credits as a result of the reconciliation will be added or subtracted from the monthly RCD payment ~~on a two-month lag basis~~ in subsequent periods.

46.2.6.7.5 The monthly RAD provided to customers shall not exceed the net monthly electric delivery utility bill and will be applied after any RCD payments have been credited to customers.

46.2.6.7.6 The RAD Program factor will be shown as a separate factor on the Supply Service Charge Statement and filed with the Public Service Commission apart from this rate schedule not less than three (3) business days before its effective date. Such statements effective dates will coincide with the first billing batch of each month.