

PSC NO: 220 ELECTRICITY
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: JANUARY 1, 2012

LEAF: 408
 REVISION: 6
 SUPERSEDING REVISION: 5

STAMPS: Issued in Compliance with Order Issued December 16, 2011 in Case No. 10-E-0050

SERVICE CLASSIFICATION NO. 4 (Continued)

- (b) Notwithstanding the provisions of subpart (a) of this Special Provision (H) (3), no deliveries of NYPA power received by the customer prior to September 1, 1998 shall be considered in calculating the amounts owed by the customer to the Company for CTC Exempt HLF Delivery Service received by the customer on or after that date.
- (4) CTC Exempt HLF Delivery Service shall be restricted to customers that would qualify for service under the Company's rate schedule S.C. No. 3-A based on their combined actual demands for SC-4 Supplemental Service, CTC Exempt HLF Delivery Service and PFJR Service.

I. Special Rules for Niagara Power Delivery Service and Preservation Power Delivery Service

- 1. Preservation Power Delivery Service and Niagara Power Delivery Service associated with "New" allocations of Expansion and Replacement Power are subject to the Tax Factor established in Rule 32 and Rule No. 56 – Incremental State Assessment ("ISAS")
- 2. Niagara Power Delivery Service associated with "Existing" allocations of Expansion and Replacement Power and "Additional" allocations of Expansion Power are subject to the Tax Factor established in Rule 32 and Rule No. 56- Incremental State Assessment ("ISAS").
- 3. For those customers whose agreements with NYPA and the Company include an historic demand, the historic demand will be billed as SC-4 Supplemental Service and will be subtracted from the current month's metered demand and (prior to July 1, 2013 only for Niagara Power Delivery Service) from the peak demand of the preceding 12 full months to establish the remaining demand then apportioned to NYPA Service (whether in the form of Niagara Power Delivery Service or Preservation Power Delivery Service) and SC-4 Supplemental Service (as additional power). In no instance, however, shall the total demand (the sum of the historic and additional power demands) billed by Company under its rates exceed the total metered demand for the billing period.

The energy associated with the historic demand will be determined by apportioning the total metered energy by the ratio that the historic demand (supplied by the Company) bears to the metered demand for the current month. The energy associated with all other deliveries of power will be determined in accordance with the applicable provisions of this Rate Schedule S.C. No. 4 with the following modifications:

- 1. The customer's metered demand shall be reduced by the amount of the historic demand.
- 2. The customer's maximum demand for the preceding 11 months shall be reduced by the amount of the historic demand. For Niagara Power Delivery Service provided prior to July 1, 2013 only, the customer's maximum demand for the preceding 11 months shall be reduced by the amount of the historic demand.
- 3. The customer's metered energy shall also be reduced by the amount of energy associated with the historic demand as determined above.

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