PSC NO: 220 ELECTRICITY

NIAGARA MOHAWK POWER CORPORATION

INITIAL EFFECTIVE DATE: JANUARY 1, 2012

LEAF: 408.2

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)

L. (a) Distribution Delivery Rates For Niagara Power Delivery Service

Customers who receive Niagara Power Delivery Services shall be subject to distribution delivery rates as set out below:

1. Existing Allocations: Subject to the provisions of Special Rule I (2) above, distribution delivery rates for Existing Allocations of Niagara Power shall be set according to a percentage discount off of the distribution delivery rates for the customer's Parent Service Classification (S.C. No. 3 or S.C. No. 3A, as applicable) otherwise in effect at the time, as follows:

Rate per kW of Delivery Level Contract Demand:

- a. For customers with (1) Primary voltage delivery levels (2.2-15kV) whose parent delivery service classification is Service Classification 3 and for whom non-NYPA electric demand accounted for more than 15% of their total electric demand during the time period July 1, 2010 through June 30, 2011, (ii) Primary voltage delivery levels (2.2-15kV) whose parent delivery service classification is Service Classification 3-A; (iiii) Subtransmission voltage delivery levels (22 -50 kV); or (iv) Transmission voltage delivery levels (over 60 kV), the following discounts off of the full standard tariff rates that are otherwise in effect at each date noted below, will go into effect on the following dates:
- i. Prior to January 1, 2012, \$1.52 per kW month of contract demand.
- ii. January 1, 2012 through December 31, 2012: 20% discount off of the distribution delivery rates for the customer's Parent Service Classification (S.C. No. 3 or S.C. No. 3A, as applicable), otherwise in effect at that time.
- iii. January 1, 2013 through December 31, 2013: 15% discount off of the distribution delivery rates for the customer's Parent Service Classification (S.C. No. 3 or S.C. No. 3A, as applicable), otherwise in effect at that time.
- iv. January 1, 2014 through December 31, 2014: 15% discount off of the distribution delivery rates for the customer's Parent Service Classification (S.C. No. 3 or S.C. No. 3A, as applicable), otherwise in effect at that time.
- v. January 1, 2015 through December 31, 2015: 10% discount off of the distribution delivery rates for the customer's Parent Service Classification (S.C. No. 3 or S.C. No. 3A, as applicable), otherwise in effect at that time.
- vi. January 1, 2016: Then-existing delivery rates will be increased to the same level as the then-existing distribution delivery rates for the customer's Parent Service Classification (S.C. No. 3 or S.C. No. 3A, as applicable), otherwise in effect at that time.