

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

LEAF: 159
REVISION: 2
SUPERSEDING REVISION: 1

GENERAL INFORMATION

34. ECONOMIC DEVELOPMENT PROGRAMS

34.1 INTRODUCTION: The following programs are designed to encourage the permanent location of commerce and industry and the expansion or retention of the labor force within Niagara Mohawk's service territory through meeting the special Electric Service needs of eligible applicants. The Economic Development Programs are further described herein.

34.1.1 Program Titles

34.1.1.1 Program 1 - Economic Development Rider (EDR):

EDR is a Niagara Mohawk sponsored economic development program offered to encourage business attraction and expansion by means of a declining percentage discount to the customer's service bill over a five year period. **The EDR program is closed to new subscribers, but the Company will continue to honor existing EDR arrangements for their remaining Terms.**

34.1.1.2 Program 2 - Empire Zone Rider (EZR):

EZR is sponsored in cooperation with New York State Department of Economic Development and Labor, local Empire Zone Boards and Niagara Mohawk to renew designated economically distressed geographic areas of the Company's service territory. Non-residential customers, both existing and new, who relocate or expand in certified zones by the addition of permanent load, shall be eligible to receive discounted rates. Qualified subscribers are eligible for special rates for up to a ten (10) year term. **The EZR program is closed to new subscribers, but the Company will continue to honor existing EZR arrangements for their remaining Terms.**

34.1.1.3 Program 3 - Economic Development Power Rider (EDPR):

This Program will expire June 30, 2012. This service is sponsored in cooperation with the New York State Economic Development Power Allocation Board ("EDPAB"), the New York Power Authority (NYPA) and Niagara Mohawk to offer to qualifying non-residential customers low cost NYPA power which is purchased for delivery by Niagara Mohawk on behalf of these customers. This program offers discount services for load growth and load retention as certified by NYPA. Subscribers are eligible for access to the NYPA program benefits as defined in their contract with NYPA and the NYPA / Niagara Mohawk delivery contract.

34.1.1.4 Program 4 - Power for Jobs Rider (PFJR): **This program will expire June 30, 2012.**

This service is also sponsored in cooperation with EDPAB, NYPA and the Company to offer discounted Power For Jobs (PFJR) Service to qualifying non-residential customers pursuant to the terms of Rule 34.5 of this Tariff and the Customer's individual PFJR Allocation and Service Agreement negotiated directly with NYPA.

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