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NIAGARA MOHAWK POWER CORPORATION REVISION: 2
INITIAL EFFECTIVE DATE: MARCH 19, 2012 SUPERSEDING REVISION: 1

## SERVICE CLASSIFICATION NO. 12 (Continued)

## 5. STANDARDIZED DISCOUNT RATES (Continued)

## 5.1.1 Qualifying Customers Receiving a Portion of their Requirements from NYPA

The Company may, at its option, agree to permit Qualifying Customers receiving a portion of their requirements from NYPA to receive any electricity supplied to it by NYPA on a "first through the meter" basis, provided that the Company shall consider the benefit conferred on the customer by such an option in determining the discount it is willing to offer to the customer.

- 5.2 Determination of Loads Eligible to Receive Discount
  - **5.2.1** <u>Determination of Contestable Load</u>: For each Qualifying Customer, the Company shall determine the customer's Contestable Load as defined in Section 3.10 of this Service Classification No.12.
  - **5.2.2** Application of Discounts: The discount percentages specified in Section 5.3 of this Service Classification No.12 shall apply only to the Qualifying Customer's Contestable Load.
  - **5.2.3** Administration of Discounts: Qualifying Customers shall have the option of separately metering their Contestable Load as provided in Section 5.2.3.1 or agreeing to the alternate billing methodology specified in Section 5.2.3.2.
    - **5.2.3.1** Option 1: Separate Meters: If the customer elects to separately meter its Contestable Load, the Company shall install the required metering facilities at the customer's expense, and discounted service shall only commence once the required metering facilities are in place and shall apply only to such Contestable Loads. The Company shall have the right to terminate discounted service under this Section 5.2.3.1 and to require the customer to receive its discounted service under Section 5.2.3.2 if the Company determines that any part of the customer's Non-Contestable Load is receiving service through the meter assigned to the customer's Contestable Load.
    - **5.2.3.2** Option 2: Billing Based on Contract Loads: In the event that the customer does not elect to separately meter its Contestable Load, the Company shall estimate the customer's Non-Contestable Load in each billing period for twelve consecutive months. The customer's Contestable Load shall be deemed to be all usage in excess of the Non-Contestable Load (in kW and kWh) in any billing period, and the customer's discount percentage specified in Section 5.3 shall apply only to such Contestable Loads.