

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

LEAF: 467  
 REVISION: 3  
 SUPERSEDING REVISION: 2

## SERVICE CLASSIFICATION NO. 12 (Continued)

### 6. INDIVIDUALLY NEGOTIATED RATES (Continued)

- 6.1.2.1 Customer imposes, or in the Company's opinion is likely to impose, monthly electric peak billed Company demand in excess of 2,000 kW; or
- 6.1.2.2 Has an average monthly load factor or, in the Company's opinion is likely to impose an average load factor, of at least 70 percent; or
- 6.1.2.3 Demonstrates that the customer's annual total electricity bill represents at least 7 percent of the facility's annual gross revenue from sales; or
- 6.1.2.4 Currently employs 250 or more workers; or
- 6.1.2.5 Is in the Paper/Paperboard Manufacturing (NAICS Code 3221), Chemicals Manufacturing (NAICS Code 325), Non-Metallic Mineral Products (NAICS Code 327), or Primary Metal Manufacturing (NAICS Code 331) industries.

### 6.2 Standards for Individually Negotiated Rate Agreements:

- 6.2.1 **Negotiating Standards:** In cases where individual negotiation of rates and Customer Service Agreements is authorized by Section 6.1 of this Service Classification No.12, the Company will negotiate on a case-by-case basis in a manner consistent with the New York State Public Service Commission's Opinion Nos. 96-12 and 94-15 and the Order and attached Guidelines issued April 14, 2005 in Case No. 03-E-1761.
- 6.2.2 **Term:** Except as provided in this Section 6.2.2, no individually negotiated Customer Service Agreements establishing rates for electric service shall have a term in excess of five (5) years. If a customer desires a contract with a term in excess of five (5) years and the Company is willing to agree to this arrangement, the Company will request authorization from the New York State Public Service Commission to enter into that arrangement. If the Commission grants the Company the authority it requests on terms acceptable to the Company, the Company will then enter into the agreement.
- 6.2.3 **Adjustments to Standard Rates and Charges:** Customers receiving individually negotiated rates and Customer Service Agreements pursuant to this Service Classification No.12 shall be subject to all adjustments and surcharges as required by the New York Public Service Commission that would have applied to the customer if it had received non-discounted service under the service classification otherwise applicable to the customer's usage. All such adjustments and surcharges shall be determined in accordance with the corresponding rules of the standard tariffs and shall be increased by a tax factor in accordance with Rule 32. Nothing contained in this section shall be construed as limiting Customers' rights to petition the New York State Public Service Commission for a waiver of the application of such surcharges and adjustments.
  - 6.2.3.1 Customers served under SC-12 will not be subject to Rule No. 42.3.2 and Rule No. 42.3.3 of Rule 42-Merchant Function Charge.
- 6.2.4 **Filing Requirements:** The Company shall file information concerning each individually negotiated Customer Service Agreement required by the New York State Public Service Commission in its Order and attached Guidelines dated April 14, 2005 in Case No. 03-E-1761 within 30 days of the execution of that Customer Service Agreement.

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