

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: AUGUST 31, 2009

LEAF: 417
REVISION: 3
SUPERSEDING REVISION: 2

STAMPS: Issued in Compliance with Order of PSC in Case 08-E-1308 dated 08/21/09.

SERVICE CLASSIFICATION NO. 7 (Continued)

4. Exemptions From SC-7 (Continued)

D. Certain Customers Grandfathered Under Form G_f (Continued)

For the purposes of this provision, New Generating Equipment shall include, the installation or the replacement of the following items of electric plant:

- (i) for steam production plant: boiler plant equipment; engines and engine-driven generators; and turbogenerator units;
- (ii) for nuclear production plant: reactor plant equipment, and turbogenerator units;
- (iii) for hydraulic production plant: turbines, and generators; and
- (iv) for other electric production equipment: fuel holders, producers, and accessories; prime movers; and generators.

The installation or replacement of electric plant ordinarily classified as maintenance or repair expenses or replacements under warranty as a result of a defect or casualty loss, or of water wheels, automotive and marine internal combustion engines fired by natural gas which were designed and installed with the intention of routine replacement, and generator rewinds shall not be deemed to be New Generating Equipment.

E. NYPA Programs and Individually Negotiated Contracts

Standby service rates shall not apply to that portion of a customer's delivery service associated with the provision of applicable NYPA programs or that portion of delivery service served under the terms and conditions of an individually negotiated SC-11 and SC-12 contract.

F. Environmentally Advantageous Technologies

Standby service rates shall not apply to customers who install On-Site Generators that are (1) wind, (2) solar (3) methane, landfill gas, and farm service customers operating anaerobic digesters processing manure if the methane, landfill gas, or manure is 90% or more of the fuel used annually by the On-Site Generator, (4) fuel cells, (5) other renewable technologies explicitly identified in the New York State Energy Plan (e.g. biomass, geothermal and tidal) provided the customer commits in a written agreement with the Company that the On-Site Generators shall comply to all of the following requirements:

- a) The nameplate capacity of the OSG (in aggregate if more than one unit exists) shall at no time exceed (1) 25 kW for residential solar and wind; (2) 500 kW for farm service solar and wind; (3) 500 kW for farm service customers operating anaerobic digesters; (4) 12 kW for non-residential non-demand solar and wind; or (5) the lesser of 2000 kW or customer's peak load during the prior 12 month period or as determined by the Company for non-residential demand solar and wind.
- b) The electricity supply is for use at the customer premises only and not for resale to any other party or for use at any other party or for use at any other premises.
- c) The Renewable OSG is connected to the customer's electric system using an automated or manual transfer switch or the electrical equivalent of such a switch approved by the Company consistent with Electric System Bulletin 750 as it may be amended from time to time.
- d) The customer executes and the Company accepts a Form G as required under the special provisions of the applicable Service Classification for all generators on the premises. The customer shall state its intended use of the OSG facilities on the Form G in the blank spaces provided for special conditions.

Issued by Thomas B. King, President, Syracuse, NY