

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: APRIL 27, 2009

LEAF: 466
REVISION: 0
SUPERSEDING REVISION:

SERVICE CLASSIFICATION NO. 12 (Continued)

5. INDIVIDUALLY NEGOTIATED RATES (Continued)

5.1 Eligibility Criteria for Individually Negotiated Rates (Continued)

5.1.2 Manufacturing and Service Customers (Continued)

5.1.2.6 The Qualifying Service Customers shall be defined according to Section 3.5 of this Service Classification No. 12.

5.1.3 Qualifying Customers Receiving a Portion of their Requirements from NYPA: At the Company's option, Qualifying Customers receiving a portion of their requirements from NYPA shall individually negotiate rates and Customer Service Agreements with the Company designed to respond to the demonstrated competitive alternatives for which they qualify for service under this rate schedule SC-12 subject to the requirements of Section 4 of this service classification. In negotiating such rates and Customer Service Agreements, the Company may at its option agree to permit the customer 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 rates it is willing to offer to the customer.

5.2 Standards for Individually Negotiated Rate Agreements:

5.2.1 Negotiating Standards: In cases where individual negotiation of rates and Customer Service Agreements is authorized by Section 5.1 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.

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