

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

LEAF: 427
REVISION: 0
SUPERSEDING REVISION:

SERVICE CLASSIFICATION NO. 7 (Continued)

DETERMINATION OF DEMAND and CONTRACT ENERGY: (Continued)

During the first three years of this SC-7, commencing July 1, 2002, for a customer whose parent service classification is either SC-1, SC-2, or SC-3, during the initial 365 days under this SC-7, the penalty described above shall be waived for a new standby customer's first assessment of penalty charges for excessive demand within 10% of the corresponding Standby Contract Demand level. Prospective Standby Contract Demand billings shall be adjusted to the higher level, however, such penalty shall be waived for the first occurrence. Customers with demands of more than 10% above elected Standby Contract Demand levels or subsequent Standby Contract Demand overruns by customers previously qualifying for this waiver shall be expected to pay full penalty charges. Seasonal or other temporary fluctuations in load of the customer's existing facilities such as heating and air conditioning, and temporary reductions in manufacturing shall not qualify for reductions in the Standby Contract Demand.

The effective date of the revised Standby Contract Demand shall be the next billing cycle following the Company's receipt of the customer's written notice provided such notice is received 10 business days prior to the first day of the next billing cycle.

(2) As-Used Daily Demand

The As-Used Daily Demand shall be the aggregate of the highest daily 15-minute integrated demand (measured in kW) occurring during the on-peak hours of each day during the billing period.

On-Peak hours are defined as the hours between 8:00 a.m. and 10:00 p.m., Mondays through Fridays, except for the following holidays when such holidays fall on other than a Saturday or Sunday: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. All other hours are defined as Off-Peak.

(3) As-Used Daily Energy

The As-Used Daily Energy shall be determined as the sum of the billed kWh in the billing period.

(4) The Reactive Demand

The Reactive Power Demand Charge shall be the highest average kilovolt-ampere of lagging reactive demand measured in a fifteen minute interval during the month less one-third of the highest kilowatt demand measured during the month.

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