PSC NO: 220 ELECTRICITY   LEAF: 179
NIAGARA MOHAWK POWER CORPORATION   REVISION: 0
INITIAL EFFECTIVE DATE: APRIL 27, 2009   SUPERSEDING REVISION:

GENERAL INFORMATION

34.   ECONOMIC DEVELOPMENT PROGRAMS: (Continued)

   34.4   Program 3 - Economic Development Power Rider (EDPR)

      34.4.3   Billing Methodology (Continued)

            34.4.3.5.1 Rule 32, Increase in Rates Applicable in Municipality Where Service is
            Supplied, shall be applied to the total billing amount.

      34.4.3.6 Customers who meet the eligibility requirements are subject to the loss adjusted rates
      stated in Rule 34.4.5 and as adjusted from time to time.

      34.4.3.7 The Company has the right to revise the EDPR rates through a filing with the
      appropriate regulatory body, in accordance with the applicable rules and regulations of such
      regulatory body.

      34.4.3.8 The application of Rule 41 – System Benefits Charge to an EDP Allocation is
      described in Rule 41.

   34.4.4.   LOAD FACTOR SHARING:

Load Factor Sharing is the methodology which allocates metered deliveries (demand and energy)
between two suppliers (the Company and NYPA) for the purposes of billing. The methodology uses
the ratio of the customer's EDP contract demand and the current month's maximum metered demand to
apportion both demand and energy between two suppliers for the current month.

      34.4.4.1 Determination of Billing Demand and Energy:

      The maximum metered fifteen minute demand, as determined in accordance with the
      provisions of the applicable Service Classification, shall be used as the basis for the
      determination of NYPA and Company billing demands. NYPA and Company billing energy
      shall be determined by the application of Load Factor Sharing in each 15 minute interval
      basis, hereinafter interval. A step by step billing procedure used to calculate NYPA and
      Company billing determinants is described as follows:

            34.4.4.1.1 Calculate the ratio (hereinafter referred to as BILLING DETERMINANT
            RATIO, BDR) which is used to allocate the present calendar month's demand and
            energy between NYPA and the Company. The BDR's numerator is the EDP
            contract demand and the BDR's denominator is the greater of:

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