

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

LEAF: 308
 REVISION: 0
 SUPERSEDING REVISION:

FORM I
CUSTOMER SERVICE AGREEMENT
FOR SERVICE CLASSIFICATION NO. 12 (Continued)

8. THE CONTESTABLE LOAD COMPETITIVE TRANSITION CHARGE PER OFF-PEAK KWH

For each Billing Period during the term of this Agreement, the Contestable Load Competitive Transition Charge Per Off-peak kWh furnished by the Company to the Customer shall be determined by multiplying the Off-peak Competitive Transition Charge rate for Contestable kilowatt-hours established in this Agreement by the Off-peak Contestable kilowatt-hours furnished by the Company to the Customer during the Billing Period.

The Off-peak Contestable kilowatt-hours shall be calculated as the Actual Off-peak kWh minus the Off-peak Non-Contestable kilowatt-hours as defined in Section 6 of this Attachment A2.

The Off-peak Competitive Transition Charge rate for Contestable kilowatt-hours shall be calculated using the following formula:

Off-peak Competitive Transition Charge rate for Contestable kilowatt-hours = Off-peak CTC per kWh rate * (1 – DISCOUNT)

Where:

Off-peak CTC per kWh rate = The Off-peak CTC per kWh rate shall be set according to the Off-peak Competitive Transition Charge per kWh for Electric Supply Service for the first block's Hours of Use established in the Tariff specific to the appropriate voltage delivery level and Load Zone of Service Classification No.3A.

The current Off-peak CTC per kWh rate at the appropriate voltage delivery level and Load Zone is \$_____.

DISCOUNT = The Discount used shall be as specified in Section 7 of this Attachment A2.

9. THE REACTIVE POWER CHARGE

For each Billing Period during the term of the Agreement, the Customer's Reactive Power Charge shall be the product of the Customer's Reactive Power Demand and the Reactive Power Demand Charge. The Customer's Reactive Power Demand in each Billing Period shall be the highest average kilovolt-Amperes of lagging reactive demand measured in a fifteen minute interval during the Billing Period, less one third of the highest kilowatt demand measured during the Billing Period. The Reactive Power Demand Charge for each Billing Period shall be as specified in Service Classification No. 3A of the Tariff.

The current Reactive Power Demand Charge as specified in the Tariff is \$_____.

In the event that the Billing Period is less than twenty-five days or greater than thirty-five days, the Reactive Power Demand rate will then, and only then, be pro-rated to the actual number of days in the Billing Period.

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