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PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: APRIL 27, 2009 LEAF: 304 REVISION: 0 SUPERSEDING REVISION:

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

3. THE COMPETITIVE TRANSITION CHARGE PER KW

For each Billing Period during the term of this Agreement, the Competitive Transition Charge per kW for Electric Service provided to the Customer by the Company under this Agreement shall be determined by multiplying the Competitive Transition Charge rate (per kW) as provided in this Agreement by the maximum on-peak kW of Electric Service furnished by the Company to the Customer during the Billing Period, as determined by the company's meter at the Premises in accordance with the provisions of Service Classification No. 3A.

For the term of this Agreement, the Competitive Transition Charge rate (per kW) for Electric Service for each Billing Period shall be set according to the Competitive Transition Charge established in the Tariff specific to the appropriate voltage delivery level and Load Zone, if applicable, of Service Classification No. 3A.

The current Competitive Transition Charge (per kW) for Electric Service furnished to the Customer under the Tariff is \$_____.

In the event that the Billing Period is less than twenty-five days or greater than thirty-five days, the Competitive Transition Charge per kW will then, and only then, be pro-rated to the actual number of days in the Billing Period.

4. THE ELECTRICITY SUPPLY COST CHARGE

For each Billing Period during the term of this Agreement, the Charge for Electricity Supply Service furnished by the Company to the Customer shall be determined by multiplying the Electricity Supply Cost charge in each interval by the kWh of Electricity Supply Service furnished by the Company to the Customer during each interval of the Billing Period. The Electricity Supply Cost charge shall be determined using the following formula:

Electricity Supply Cost Charge = $\sum (kWh_i * ESC_{LZV_i})$

Where:		
kWh_i	=	The kWh of Electricity Supply Service sold by the Company to the Customer in interval i.
$ESC_{LZ,V,i}$	=	The Electricity Supply Cost of Electric Energy for the customer's Load Zone and voltage
		level expressed in \$0.00000/kWh in interval i. The Electricity Supply Cost shall be
		determined by Rule 46, Electricity Supply Cost, of the Tariff.
LA	=	The load zone (as defined in the Tariff) in which the customer takes Electricity Supply
		Service.
${f V}$	=	The voltage delivery level (as defined in the Tariff) at which the Customer receives Electricity
		Supply Service.
i	=	Hourly interval period in the Billing Period (i=1672, 696, 720 or 744 hours).