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PSC NO: 220 ELECTRICITY LEAF: 408.1
NIAGARA MOHAWK POWER CORPORATION REVISION: 2
INITIAL EFFECTIVE DATE: JANUARY 1, 2011 SUPERSEDING REVISION: 1

STAMPS: Issued in Compliance with Order of the PSC in Case No. 10-E-0050 Issued January 24, 2011

SERVICE CLASSIFICATION NO. 4 (CONTINUED)

Distribution delivery rates for CTC Exempt HLF Delivery Service for New Allocations shall be equal to the distribution delivery rates under Rate Schedule S.C. 3-A. The current distribution delivery rates for such service are as follows:

| | Rate Per kW of | Rate per kWh |
|------------------------------|-----------------|---------------------|
| | Contract Demand | of Energy Delivered |
| Secondary (<2.2 kV) | \$8.18 | \$0.00000 |
| Primary (2.2 - 15 kV) | \$8.21 | \$0.00000 |
| Subtransmission (22 - 50 kV) | \$2.97 | \$0.0000 |
| Transmission (>60 kV) | \$2.39 | \$0.00000 |

New Allocations are defined in Special Provision M below.

L. Distribution Delivery Rates For Niagara Power Delivery Service

Customers who receive Niagara Power Delivery Services shall be subject to distribution delivery rates as set out below:

1. **Existing Allocations.** Transmission and distribution delivery rates for Existing Allocations of NYPA Hydro allocations shall be frozen at the following rates through December 31, 2011.

Rate per kW of Delivery Level Contract Demand

| Secondary (<2.2 kV) | \$1.52 |
|-----------------------------|--------|
| Primary (2.2 - 15 kV) | \$1.52 |
| Subtransmission (22 -50 kV) | \$1.52 |
| Transmission (>60 kV) | \$1.52 |

Existing Allocations are defined in Special Provision M below.

2. <u>Additional Allocations.</u> Distribution delivery rates for Additional Allocations of Expansion Power shall include the rates set out above for Existing Allocations plus an additional charge determined by multiplying the difference between that transmission service charge and the total delivery charges for New Allocations set out below by the following percentage amounts:

| - | through 10/31/2007 | 0% |
|---|------------------------------|------|
| - | 11/1/2007 through 10/31/2008 | 20% |
| - | 11/1/2008 through 10/31/2009 | 40% |
| - | 11/1/2009 through 10/31/2010 | 60% |
| - | 11/1/2010 through 10/31/2011 | 80% |
| - | 11/1/2011 through 12/31/2011 | 100% |

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