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PSC NO: 220 ELECTRICITY LEAF: 403 NIAGARA MOHAWK POWER CORPORATION REVISION: 1 INITIAL EFFECTIVE DATE: SEPTEMBER 1, 2010 SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION NO. 4 (Continued)

- 5. Billing Quantities for Niagara Power Delivery Service for Replacement Power Rate 2
 - a. The billed demand will be the customer's contract demand for its Existing Allocations of Replacement Power Rate 2.
 - b. The kilowatt-hours charged will be the customer's contract demand for Replacement Power Rate 2 multiplied by the number of hours in the billing period.
 - c. For the purpose of determining the portion of the customer's demands served by sources other than Replacement Power Rate 2:
 - (i) The customer's contract demand for Replacement Power Rate 2 shall be adjusted for losses from the Niagara Switchyard to the customer's meter as provided in paragraphs 4(c)(i) (in the case of Existing Allocations) and 4(d)(i) (in the case of New Allocations) above; and
 - (ii) The total kilowatt-hours of Replacement Power Rate 2 received by the customer in any interval shall be the lesser of the total kilowatt-hours of Replacement Power Rate 2 received by the customer during that interval, adjusted for losses in Transmission from the Niagara Switchyard to the customer's meter as described in paragraphs 4(c)(ii) (in the case of Existing Allocations) and 4(d)(ii) (in the case of New Allocations) above; or the total kilowatt-hours received by the customer during that interval as measured by the customer's meter.
- 6. Billing Quantities for CTC Exempt HLF Delivery Service
 - a. The billed demand for CTC Exempt HLF Delivery Service taken hereunder shall be the product of the customer's highest 30-minute integrated demand in the billing period recorded on the customer's meter multiplied by the ratio of the customer's contract demand for CTC Exempt HLF Delivery Service to the greater of the customer's contract demand for CTC Exempt HLF Delivery Service or the highest 30-minute integrated demand recorded on the customer's meter for the twelve months ending with the current billing period.
 - b. The billed energy in each 30-minute billing interval for CTC Exempt HLF Delivery Service shall be the total number of kilowatt-hours recorded on the customer's meter for the billing period multiplied by the ratio of the customer's contract demand for CTC Exempt HLF Delivery Service to the greater of the customer's contract demand for CTC Exempt HLF Delivery Service or the highest 30 minute integrated demand recorded on the customer's meter in the twelve months ending with the current billing period.