

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: SEPTEMBER 19, 2011

LEAF: 458
REVISION: 1
SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION NO. 12 (Continued)

4. **PROGRAM ELIGIBILITY (Continued)**

4.4 **Retention: Relocation**

4.4.1 Eligibility Criteria: Customers meeting the following eligibility requirements shall be eligible for discounted rates for all or part of their loads designed to respond to the competitive challenge of potential relocation of economic activity to other facilities not served by the Company.

- 4.4.1.1 The customer must be a Manufacturing Customer or a Service Sector Customer as defined in Sections 3.3 and 3.5; and
- 4.4.1.2 The customer must be eligible to receive electric service from the Company under rate schedules SC-3, SC-3A, SC-4 or SC-7; and
- 4.4.1.3 The customer must have an average monthly metered Company electric demand exceeding 500 kW in the preceding twelve months; and
- 4.4.1.4 The customer must demonstrate to the Company's satisfaction that the customer's relocation alternatives make it a Contestable Customer as provided in Section 4.4.2 of this Service Classification No. 12; and
- 4.4.1.5 The customer must demonstrate public sector involvement as part of its evaluation of relocation alternatives as provided in Section 4.4.3 of this Service Classification No. 12. Customer may submit an application under this section prior to confirmation of public sector involvement, but any discount is contingent upon confirmation of public sector involvement prior to the commencement of any discount contract under this Service Classification No. 12.

4.4.2 Demonstration of Relocation Challenge: In order to receive a reduced rate under this Service Classification No. 12, the customer must demonstrate that relocation of part or all of its activities from the facility served by the Company to other facilities not served by the Company is economically viable. Examples of the type of written documentation that may be used to make such a demonstration may include, but need not be limited to the following:

- 4.4.2.1 Audited financial statements (balance sheet, income statement and notes to the financial statements) for the specific facility, and for the company (if different), for the most recent complete fiscal year, subject to the provisions in this Section No. 4.4.2. If customer does not have audited financial statements for the specific facility because such audited financials are not prepared in the customer's normal course of business, then unaudited financial statements will be prepared for the specific facility. All financial statements delivered to the Company shall be accompanied by a certification of the Chief Financial Officer of the parent company or the appropriate company division, as applicable, to the effect that the financial statements comply with generally accepted accounting principles, consistently applied; and
- 4.4.2.2 Statements of sources and uses of funds for the customer's most recent complete fiscal year for the facility evaluating relocation; and
- 4.4.2.3 Estimates of the potential savings associated with relocation to the targeted location.

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