

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

LEAF: 461
REVISION: 1
SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION NO. 12 (Continued)

4. PROGRAM ELIGIBILITY (Continued)

4.6.2 SC-12 Contract Load Quantities: Customer must commit to an overall increase in the historic SC-12 Contract Load Quantities, as defined in Section 3.16, which represents an overall increase in the production capability or economic activity of the facility. Any discount under Section 4.6 of this Service Classification No. 12 shall be calculated on the incremental load that exceeds the SC-12 Contract Load Quantities as established in either 4.6.2.1 or 4.6.2.2 below.

4.6.2.1 Expansion at Existing Facilities: Customers who are expanding existing facilities shall establish SC-12 Contract Load Quantities, as defined in Section 3.16. The SC-12 Contract Load Quantities (expressed in kW and kWh) shall be specified in the Customer Service Agreement.

4.6.2.2 Expansion at New Facilities: Business expansions occurring at new facilities by existing customers will be assigned SC-12 Contract Load Quantities (expressed in kW and kWh) equal to zero (0). The Company reserves the right to adjust the SC-12 Contract Load Quantities at any time, when, in the Company's opinion, the customer is shifting load from existing locations to the new location.

4.6.2.3 Although customers served under the business expansion program will not be penalized if the SC-12 Contract Load Quantities calculated above and memorialized in their respective Customer Service Agreements are not met, benefits under the business expansion program will only be realized when a customer's actual consumption (in kW and kWh) is in excess of the SC-12 Contract Load Quantities set forth in the Customer Service Agreement in each billing period.

5. STANDARDIZED DISCOUNT RATES

Qualifying Customers as defined in Section 3.6 of this Service Classification No. 12 shall receive the applicable standardized discount percentages established in Section 5.3 of this Service Classification No.12 applied to their charges for electric service.

5.1 Application of Discounts: Customers served under Section 5 of this Service Classification No. 12 shall pay the Customer, Demand, and Reactive Power Demand charges, in addition to any applicable C.T.C. charges, set according to the otherwise applicable Standard Tariff Rate Schedule. Customers served under Section 5 of this Service Classification No. 12 shall also pay, if applicable, the Electricity Supply Cost as specified in accordance with Rule 46 - Electricity Supply Cost. The discounts provided under Section 5 of this Service Classification No. 12 shall be administered on a targeted basis, applied to the C.T.C. per kWh charge through December 31, 2011. Effective January 1, 2012, the discounts provided under Section 5 of this Service Classification No. 12 shall be applied to the otherwise applicable standard tariff demand charge per kW.

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