

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

LEAF: 466
REVISION: 1
SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION NO. 12 (Continued)

5. STANDARDIZED DISCOUNT RATES (Continued)

- 5.4.4 Payment of Undisputed Bills: Customer shall be current in its payment of all undisputed bills, and may be required to furnish a security deposit in the amount that the Company would otherwise be authorized to require under Commission rules, as a precondition to receiving any discounted service by the Company. Customers who have executed a deferred payment agreement with the Company consistent with Rule 26.9 - Deferred Payment Agreement ("DPA") for Non-Residential Customers of this Tariff, and are in full compliance with the requirements of this DPA shall be eligible to receive these discounts.
- 5.4.5 Resales Prohibited: Customer is prohibited from reselling or otherwise furnishing any of the electricity provided pursuant to a Customer Service Agreement authorized by this Service Classification No. 12 to any third party, regardless of whether such sale or furnishing would otherwise be authorized by Rule 8 of the Tariff.
- 5.4.6 Increase in Rates and Charges: The rates and charges under Section 5 of this Service Classification No. 12 will be increased by a tax factor pursuant to Rule 32.

6. INDIVIDUALLY NEGOTIATED RATES

- 6.1 Eligibility Criteria for Individually Negotiated Rates: Where the Company determines at its sole discretion that the eligibility criteria in Section 4 of this Service Classification No. 12 have been satisfied and that the Standardized Discount provided in Section 5 of this Service Classification No. 12 is insufficient to address the Qualifying Customer's economic threat, a Qualifying Customer shall individually negotiate its rates and Customer Service Agreement with the Company under this Section 6 of this Service Classification No. 12 provided they meet the additional requirements of this Section 6.
- 6.1.1 Retention: On Site Generation and Fuel Switching: Qualifying Customers demonstrating that the on-site generation and fuel switching alternatives available to them make them Contestable Customers shall be eligible to individually negotiate rates and Customer Service Agreements with the Company designed to respond to their demonstrated on-site generation and fuel switching alternatives.
- 6.1.2 Customers Receiving a Portion of Their Requirements from NYPA: Qualifying Customers receiving a portion of their requirements from NYPA shall be eligible to individually negotiate Customer Service Agreements with the Company designed to respond to the demonstrated competitive alternatives for which they qualify for service under this Service Classification No. 12.
- 6.1.3 Manufacturing Customer and Service Sector Customers: A Qualifying Customer who is also a Manufacturing Customer or Service Sector Customer as defined in Sections 3.3 and 3.5, respectively, not meeting the requirements of Sections 6.1.1 or 6.1.2 of this Service Classification No.12 shall individually negotiate Customer Service Agreements with the Company designed to respond to the demonstrated competitive alternatives for which they qualify for service under this Service Classification No. 12 where any one of the following tests is satisfied:

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