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PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: JANUARY 1, 2012 LEAF: 425 REVISION: 3 SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION NO. 7 (Continued)

All SERVICE CLASSIFICATION NUMBERS:

Electricity Supply Service:

Company Supplied Electricity Supply Service Charges, per kWh:

All SC-7 parent class SC-3A and SC-7 parent class SC-3 (otherwise subject to SC-3, Special Provision L) demand metered customers who are required to install an interval-meter will be billed for commodity service based on their actual hourly usage and the hourly day-ahead market prices as described in Rule 46.1.3 herein. All SC-7 parent class SC-2D and SC-3 (otherwise not subject to SC-3, Special Provision L) customers may elect to be billed for commodity service based on their actual hourly usage and the hourly day-ahead market prices as described in Rule 46.1.3 herein. Such election shall be made by the customer in the Form G Application for Electric Standby Service. All other SC-7 customers will be billed for commodity services based on Rule 46.1.1 or Rule No. 46.1.2. Company supplied Electricity Supply Service charges shall be set according to the market price of electricity determined in accordance with Rule 46.1, Electricity Supply Cost.

Customers served under this Service Classification No. 7 are also eligible to participate in Rule No. 39 - Retail Access Program.

Wholesale Generators receiving Station Power service from the NYISO in accordance with Special Provision J shall receive Electricity Supply Service from the NYISO and shall be exempt from Electricity Supply Service charges under Rule 46.1.

SURCHARGES AND ADJUSTMENTS

Customers served under this Service Classification No. 7 may be subject to the following surcharges and adjustments:

- Rule 41 System Benefits Charges
- Rule 43 Transmission Revenue Adjustment
- Rule 42 Merchant Function Charge
- Rule 46 Supply Service Charges
- Rule 49 Renewable Portfolio Surcharge
- Rule 56 Incremental State Assessment Surcharge
- Rule 57 Revenue Decoupling Mechanism

MINIMUM CHARGE:

Customers served under this Service Classification No. 7 shall be subject to a minimum Charge which shall be the Customer Charge, the Incremental Customer Charge (where applicable), the Standby Contract Demand Charge and the Competitive Transition Charge.