PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: JANUARY 1, 2012

LEAF: 296 REVISION: 1 SUPERSEDING REVISION: 0

FORM I CUSTOMER SERVICE AGREEMENT FOR SERVICE CLASSIFICATION NO. 12 (Continued)

3. <u>THE COMPETITIVE TRANSITION CHARGE PER KW</u>

For each Billing Period during the term of this Agreement, the Competitive Transition Charge per kW for Electric Service provided to the Customer by the Company under this Agreement shall be determined by multiplying the Competitive Transition Charge rate (per kW) as provided in this Agreement by the Actual kW furnished by the Company to the Customer during the Billing Period.

For the term of this Agreement, the Competitive Transition Charge rate (per kW) for Electric Service for each Billing Period shall be set according to the Competitive Transition Charge established in the Tariff specific to the appropriate voltage delivery level and Load Zone, if applicable, of Service Classification No.

The current Competitive Transition Charge per kW for Electric Service furnished to the Customer under the Tariff is \$_____.

In the event that the Billing Period is less than twenty-five days or greater than thirty-five days, the Competitive Transition Charge per kW will then, and only then, be pro-rated to the actual number of days in the Billing Period.

4.(a) <u>THE ELECTRICITY SUPPLY COST CHARGE (Applicable to SC-2D, SC-3 (except Special Provision L)</u>, and SC-4 (Less than 2 MW) Customers)

For each Billing Period during the term of this Agreement, the charge for Electricity Supply Service furnished by the Company to the Customer at the Premises shall be determined by multiplying the Electricity Supply Cost by the kilowatt-hours of Electricity Supply Service furnished by the Company to the Customer during the Billing Period. The Electricity Supply Cost Charge shall be determined using the following formula:

		Electricity Supply Cost Charge = $\sum (kWh_{BP} * ESC_{LZ,V,BP})$
Where: kWh_{BP}	=	The total kWh of Electricity Supply Service sold by the Company to the Customer in the Billing Period.
ESC _{LZ,V,BP}	=	The Electricity Supply Cost of Electric Energy specific to the voltage delivery level in the load zone in which a customer takes Electricity Supply Service expressed in \$0.00000/kWh. The Electricity Supply Cost shall be determined by Rule 46.1, Electricity Supply Cost, of the Tariff.
LZ	=	The load zone (as defined in the Tariff) in which the Customer takes Electricity Supply Service.
V	=	The voltage delivery level at which the Customer receives Electricity Supply Service.
BP	=	The Billing Period.

In the event the Customer does choose an alternate electric supplier: (a) the Customer shall avoid the Electricity Supply Cost Charge for the amount of Electricity Supply Service not purchased from the Company; and (b) the Customer shall be eligible for the Customer Service Credit according to the provisions of Rule 42 of the Tariff, or its successor.