PSC NO: 220 ELECTRICITY LEAF: 415 NIAGARA MOHAWK POWER CORPORATION REVISION: 2 INITIAL EFFECTIVE DATE: DECEMBER 9, 2019 SUPERSEDING REVISION: 1 STAMPS: Issued in Compliance with Order in Case 15-E-0751 issued December 13, 2018.

SERVICE CLASSIFICATION NO. 7 SALE OF STANDBY SERVICE TO CUSTOMERS

APPLICABLE TO USE OF SERVICE FOR:

This Service Classification No. 7 is applicable to:

- (a) Customers who have generation installed on their site, whether the generation equipment is owned by the customer or a third party; or
- (b) Customers who are directly interconnected with a Wholesale Generator, as defined in Rule 1.76; or
- (c) Wholesale Generators who require service from the Company when their own generating equipment is not sufficient to meet their own load; or
- (d) Customers served under a demand-metered service classification, not otherwise eligible for Service Classification No. 7, that opt-in to standby service rates. Customers that exercise this option must remain on Service Classification No. 7 for a minimum period of one year; or
- (e) Customers with on-site generation compensated under Rule 40.2, Value Stack, that meet the requirements for compensation in accordance with Rule 40.2.1.1, and that are not otherwise exempt from Service Classification No. 7 in accordance with Section 4 of this Service Classification No. 7.

More specifically:

1. <u>Standby service rates shall apply to:</u> (a.) customers with on-site generation serving load that is not isolated from the grid in accordance with Rule 1.48; (b.) Wholesale Generators that rely on the electric utility to serve electric loads that would otherwise be served by the generator such as station power used for the heating, lighting, air-conditioning, and office equipment needs of the buildings housing the generator and associated support facilities located on a generating facility's site, and/or to facilitate the re-starting of the generator following an outage. Standby rates will also apply to Wholesale Generators that take station service through the same bus bar as they supply the wholesale grid.