PSC NO: 220 ELECTRICITYLEAF: 440NIAGARA MOHAWK POWER CORPORATIONREVISION: 3INITIAL EFFECTIVE DATE: JANUARY 1, 2017SUPERSEDING REVISION: 2STAMPS: Issued in accordance with Order in Case 16-M-0430 dated December 19, 2016

## SERVICE CLASSIFICATION NO. 7 (Continued)

## L. STANDBY RELIABILITY CREDIT

Standby Customers shall be provided an opportunity to earn a Standby Reliability Credit (Credit) against their contract demand charges. The Credit would be earned when a standby customer reduces their maximum measured demand during the Defined Measurement Period below their established contract demand. To be eligible for the Credit the following must apply:

- (1) The generating facility's output must be separately metered using an output meter that the Customer arranges to be furnished and installed at the Customer's expense.
- (2) The Customer, at its expense, must provide and maintain the communications service for the Output Meter.
  - (a) The Output Meter must be Commission-approved revenue grade, with interval metering with telecommunications capability.
  - (b) The metering must be compatible with the Company's infrastructure, including compatibility with the Company's meter reading system and metering communications systems.
  - (c) All metering requirements shall be in accordance with Rule 25-Metering.

For this Special Provision L, the following definitions apply:

(1) The "Defined Measurement Period" shall be defined as weekdays from 8:00 am to 10:00 pm during the previous two consecutive full Summer periods; provided however, that the first year in which a Customer seeks the Credit, the Defined Measurement Period is weekdays from 8:00 am to 10:00 pm during the previous full Summer period only. The Defined Measurement Period shall exclude Outage Events, as selected by the Customer, as well as holidays as defined in Rule 1.89.

(2) "Summer period" - For purposes of this Credit, the Summer Period is June 1 through September30.

(3) "Outage Events" shall be defined as up to three time blocks for each Summer Period that, in aggregate, are comprised of no more than five 24-hour time periods, excluding weekends and holidays. If a time block contains a time period of less than 24 hours, the time period will be rounded up to the next 24 hours (i.e., the 24-hour periods cannot be applied on a partial basis). If a time block encompasses a holiday or weekend, the start of the 24-hour period on the day prior to the holiday or weekend until the same hour the next business day will be considered to be a single 24-hour period.

The Credit for any Defined Measurement Period will be equal to the difference between the Customer's contract demand in kW, and the Customer's highest kW demand recorded on the Customer's interval meter(s) (net of generation), multiplied by the contract demand delivery charge per kW that is in effect on October 1 of the year in which the Credit is determined. The Credit will be applied to the Customer's successive 12 monthly customer bills commencing in November until the following October.