

SERVICE CLASSIFICATION NO. 4 (Continued)

- (ii) The customer's metered demands for Preservation Power Delivery Service shall be adjusted for losses from the customer's meter to the St. Lawrence Switchyard as provided in Rule 39.18 of this Tariff.

7. Billing Quantities for CTC Exempt HLF Delivery Service

- a. The billed demand for CTC Exempt HLF Delivery Service taken hereunder shall be the kilowatts of such service which the customer is entitled to receive under its allocation agreement(s) with NYPA. The metered demand for CTC Exempt HLF Delivery Service taken hereunder shall be the product of the customer's highest 30-minute integrated demand in the billing period recorded on the customer's meter multiplied by the ratio of the customer's contract demand for CTC Exempt HLF Delivery Service to the greater of the customer's contract demand for CTC Exempt HLF Delivery Service or the highest 30-minute integrated demand recorded on the customer's meter for the twelve months ending with the current billing period.
- b. The billed energy in each 30-minute billing interval for CTC Exempt HLF Delivery Service shall be the total number of kilowatt-hours recorded on the customer's meter for the billing period multiplied by the ratio of the customer's contract demand for CTC Exempt HLF Delivery Service to the greater of the customer's contract demand for CTC Exempt HLF Delivery Service or the highest 30 minute integrated demand recorded on the customer's meter in the twelve months ending with the current billing period.

8. For each of the Company's subzones in which NYPA power is delivered to customers under this Rate Schedule S.C. No. 4, the Company will calculate an Unaccounted for Energy Factor for NYPA load. Unaccounted for Energy is generally defined as the difference between the NYISO reported wholesale subzone(s) load and the sum of LSE load, Municipality load, Load Modifiers, NYPA load and the Company's load, including adjustments for distribution losses (efficiency factor). The Company also adjusts applicable LSE's load to account for the average system wide Unaccounted for Energy in accordance with Rule 39.

The difference between the monthly NYISO reported wholesale subzone load and the sum of the applicable subzone load of the Company, NYPA, Municipalities, and the Rule 39 adjusted LSE's load, including adjustments for distribution losses (efficiency factor), is the monthly subzone Unaccounted for Energy. This quantity of monthly subzone Unaccounted for Energy in question is allocated to the Company and NYPA on an hourly based subzonal load ratio share. The Company will report to the NYISO for NYISO billing and settlement purposes, the NYPA subzone load requirements, inclusive of the monthly subzone Unaccounted for Energy adjustment and distribution loss adjustments