

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

LEAF: 465
REVISION: 3
SUPERSEDING REVISION: 2

SERVICE CLASSIFICATION NO. 12 (Continued)

5. STANDARDIZED DISCOUNT RATES (Continued)

- 5.3.4 Growth: Business Expansion:** Where the Company determines that customer has satisfied the requirements of this Service Classification No. 12, a Qualifying Customer who is also a Manufacturing Customer or Service Sector Customer as defined in Sections 3.3 and 3.5, respectively, will be eligible for 5 years of discounts as applied to its Contestable Loads as provided below:

Effective January 1, 2012, the discount percentage applied to the otherwise applicable standard tariff distribution delivery demand charge per kW rate is as follows:

<u>Year</u>	<u>All Eligible Classes</u>
1	20%
2	20%
3	20%
4	20%
5	20%

The discount percentage shall not apply to adjustments and surcharges as provided in Section 5.4.3 of this Service Classification No. 12.

5.4 Other Provisions:

- 5.4.1 Term: The term of any discounted Customer Service Agreement under Section 5.3.1 of this Service Classification No. 12 shall not exceed 3 years, except as otherwise approved by the New York State Public Service Commission. All other Customer Service Agreements under this Section 5 of Service Classification No.12 shall not exceed 5 years, except as otherwise approved by the New York State Public Service Commission.
- 5.4.2 Commencement of Service: Service under any discounted Customer Service Agreement under this Section 5 shall commence on the first day of the billing period immediately following execution and delivery of the discounted Customer Service Agreement by both parties, subject to appropriate metering as specified in 5.2.3.
- 5.4.3 Adjustments to Standard Rates and Charges: Customers receiving Customer Service Agreements reflecting standardized discount rates pursuant to this Section 5 of this Service Classification No.12 shall be subject to all adjustments and surcharges as required by the New York Public Service Commission that would have applied to the customer if it had received non-discounted service under the service classification otherwise applicable to the customer's usage. All such adjustments and surcharges shall be determined in accordance with the corresponding rules of the standard tariffs and shall be increased by a tax factor in accordance with Rule 32. Nothing contained in this section shall be construed as limiting Customers' rights to petition the New York State Public Service Commission for a waiver of the application of such surcharges and adjustments.
- 5.4.3.1 Customers served under SC-12 will not be subject to Rule No. 42.3.2 and Rule No. 42.3.3 of Rule 42-Merchant Function Charge.

Issued by Kenneth D. Daly, President, Syracuse, NY