PSC NO: 219 GAS NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: 06/01/12 STAMPS: LEAF: 216.1 REVISION: 11 SUPERSEDING REVISION: 10

SERVICE CLASSIFICATION NO. 13 DISTRIBUTED GENERATION SERVICE – RESIDENTIAL (CONTINUED)

MONTHLY MINIMUM CHARGE:

The monthly minimum charge for service under this Rate Schedule is \$26.94. In addition to the minimum charge, customers may be required to pay a surcharge when service is taken from a main extension constructed in accordance with Rule 10, General Information.

INCREMENTAL EXPENSES:

In the event the customer's application for service under this Service Classification requires any system reinforcements, including installation of larger capacity service lines and appurtenant facilities, these reinforcements will be provided solely at the customer's expense.

MONTHLY COST OF GAS:

In addition to the above Delivery Service Charges, customers purchasing their Gas Supply Service from the Company will pay the Monthly Cost of Gas per Therm of gas supplied hereunder as explained in Rule 17 of this schedule.

MERCHANT FUNCTION CHARGE:

Customers purchasing their Gas Supply Service from the Company will be subject to a Merchant Function Charge hereunder as explained in Rule 33 of this schedule.

INCREMENTAL STATE ASSESSMENT SURCHARGE:

In addition to the above delivery service charges, all customers taking service under this Service Classification shall be subject to an Incremental State Assessment Surcharge as explained in General Information Rule 35.

DELIVERY SERVICE ADJUSTMENTS:

All Customers taking service under this Service Classification shall be subject to a Pipeline Refund as explained in General Information Rule No. 17.6.2.1, a Net Revenue Sharing Adjustment as explained in General Information Rule No. 26, a Research and Development Surcharge as explained in General Information Rule No. 30 and a Temporary Deferral Balance Refund as explained in General Information Rule No. 34.

STATEMENT OF TRANSPORTATION RATES:

The effective monthly rates for transportation service applicable to billings for Service Classification Nos. 1, 2, 5, 6, 7, 8, 9 and 13 will be filed with the Public Service Commission apart from this rate schedule not less than two (2) days prior to the first of each month. Such statement will be available to the public at the Company's offices at which application for service may be made.

Issued By: Kenneth D. Daly, President, Syracuse, New York