

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: APRIL 27, 2009

LEAF: 458
REVISION: 0
SUPERSEDING REVISION:

SERVICE CLASSIFICATION NO. 12 (Continued)

4. PROGRAM ELIGIBILITY (Continued)

4.4 Retention: Relocation (Continued)

4.4.2 Demonstration of Relocation Challenge: In order to receive a reduced rate under this service classification, the customer must demonstrate that relocation of part or all of its activities from the facility served by the Company to other facilities not served by the Company is economically viable. To make this showing, the customer will be required to provide the Company with the following written documentation:

4.4.2.1 Audited financial statements (balance sheet, income statement and notes to the financial statements) for the specific facility, and for the company (if different), for the latest three fiscal years, subject to the provisions in this Section No. 4.4.2.1. If customer does not have audited financial statements for the specific facility because such audited financials are not prepared in the customer's normal course of business, then unaudited financial statements will be prepared for the specific facility. All financial statements delivered to the Company shall be accompanied by a certification the Chief Financial Officer of the parent company or the appropriate company division, as applicable, to the effect that the financial statements comply with generally accepted accounting principles, consistently applied; and

4.4.2.2 Statements of sources and uses of funds for the customer's three most recent fiscal years for the facility evaluating relocation. This information must be submitted on a standard form of the Company's design; and

4.4.2.3 Detailed estimates of the potential savings associated with relocation to the targeted location. This information must be submitted on a standard form of the Company's design.

4.4.3 Demonstration of Public Sector Involvement: In recognition of the fact that electricity cost by itself is seldom the only factor driving a relocation challenge, an SC-12 discount must be part of a comprehensive competitiveness plan which will include state and/or local incentives or concessions that are not available "as of right", and are designed with the goal of retaining the business. Economic development incentives may be provided by the public, private, or quasi governmental sector or public-private partnerships. Incentives or concessions related to standardized discount rates must include at least two of the following types of "cash" inducements:

Issued by Thomas B. King, President, Syracuse, NY