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

SERVICE CLASSIFICATION NO. 7 (CONTINUED)

SPECIAL PROVISIONS:

K. Billing for Customers with EZR Load Not Separately Metered

- 1. Customers with EZR load not separately metered shall be required to install interval metering and telecommunications on their on-site generator(s) in accordance with the Metering and Communications/Incremental Customer Charge provisions of this Service Classification No. 7.
- 2. Only Customers billed at parent rate class SC-2D (50 kilowatts or greater), SC-3, and SC-3A are eligible to participate in the EZR program.
- 3. Special Provision G of this Service Classification No. 7 shall not apply to customers with EZR load.
- 4. The Customer's EZR demand and energy available for the EZR discount in each Billing Period shall be determined in accordance with Rule 34.3.3.3.2. Customer shall be subject to all rates and charges applicable to the Economic Development Zone Rider as provided in Rule 34.
- 5. Customer shall be subject to all charges provided in Service Classification No. 7. The billing determinants for customers with EZR qualifying load shall be determined as provided herein.
 - 5.1 Standby Contract Demand: The Standby Contract Demand shall initially be set by the Company as the maximum value of the Customer's monthly Base Year Contract Load in kilowatts specified in the signed EZR contract between the Company and the Customer per Rule 34.2.3.1.4 and Rule 34.3.3.3.1. The Standby Contract Demand will be automatically increased to the maximum kilowatt demand in a billing period when the maximum kilowatt demand in the billing period exceeds the Standby Contract Demand in that billing period. The maximum kilowatt demand in a billing period shall be calculated by subtracting the EZR incremental demand available for the EZR discount as determined in Rule 34.3.3.2 from the metered billing demand (i.e., customer's load net of generation) on an interval-by-interval basis. The demand shall not be less than zero (0) in any interval. The Customer may elect to increase or reduce the Standby Contract Demand thereafter in accordance with the Determination of Standby Contract Demand provisions of this Service Classification No. 7.
 - 5.2 As-Used Daily Demand: The As-Used Daily Demand shall be the As-Used Daily Demand as specified in Determination of As-Used Daily Demand provisions of this Service Classification No. 7 less the product of the demand eligible for the EZR discount in the billing period, as determined in Rule 34.3.3.3.2, and the number of on-peak days in the billing period.
 - 5.3 Billing Energy: Billing Energy in kilowatt-hours for the purposes of applying the Electricity Supply Service and Surcharges and Adjustments provisions of this Service Classification No. 7 shall be calculated by subtracting the EZR incremental energy available for the EZR discount as determined in Rule 34.3.3.2 from the metered billing energy (i.e., customer's load net of generation) on an interval-by-interval basis. The Billing Energy shall not be less than zero (0) in any interval.