

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

LEAF: 237  
REVISION: 0  
SUPERSEDING REVISION:

#### GENERAL INFORMATION

#### 52. LUMP SUM PAYMENT OF TRANSITION COSTS BY CUSTOMERS TOTALLY BYPASSING THE COMPANY'S RETAIL DISTRIBUTION SYSTEM (Continued)

##### 52.3 APPLICABILITY

The Lump Sum Recovery of Transition Costs authorized by this Rule 52 shall apply to customers and locations in the Company's service territory served under Schedules P.S.C. No. 220 Electricity and P.S.C. No. 214 Electricity on or after April 6, 1998 which thereafter receive electric service which bypasses the Company's retail distribution system and Municipal Utilities that serve such customers and locations as set forth below. This Rule 52 is not applicable to any customer, Municipal Utility or alternative supplier of electric power or Electric Service with respect to customers' load subject to the provisions of S.C. No. 7. This Rule 52 is not applicable to any customer that Electrically Isolates its load(s) from the transmission and distribution systems of the Company and all other electric utilities and independent power producers (other than the customer itself) as specified in Rule 1.48. Rule 52 shall not apply to a customer's premises which is disconnected from the Niagara Mohawk system when the customer's electricity is either supplied by the customer or by a third party who is also disconnected from Niagara Mohawk's system with all of its generating capacity installed after January 1, 2002, located on or immediately adjacent to the customer's premises and used exclusively to serve that single customer, even if the customer's premises is located within 100 feet of the Niagara Mohawk system. Rule 52 shall not apply when the customer disconnects from the Niagara Mohawk system and is connected to a third party owning generation located on or immediately adjacent to the customer's premises who is connected to the Niagara Mohawk system with all of its generating capacity installed after January 1, 2002 and whose generating capacity is used to serve only one retail customer at that location with any excess electricity being delivered over Niagara Mohawk's system, even if that customer's premises is located within 100 feet of the Niagara Mohawk system, as long as the third party generator pays the charges under S.C. No. 7, Niagara Mohawk's standby tariff for retail service. In the event that the third party generator fails to agree to pay the standby tariff the Lump Sum Contribution towards the Company's Transition Costs will be assessed. In all cases where it applies, the Lump Sum Contribution towards the Company's Transition Costs will be assessed as follows.

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