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

LEAF: 37.1 REVISION: 0 SUPERSEDING REVISION:

GENERAL INFORMATION

1. DEFINITIONS AND ABBREVIATIONS (Continued)

1.95 "Capacity Tag" - Specific to each individual Mandatory Hourly Pricing customer, the capacity tag is the customer's demand (in kW, as measured using hourly meter data) at the hour of the New York Control Area (NYCA) peak load in the most recently completed Capability Year, adjusted by the Local Transmission Efficiency Factor and the System Peak Factor. The Local Transmission Efficiency Factor is the value set forth in Rule 39.18.1.1 for the customer's distribution delivery voltage level. The System Peak Factor adjusts for weather, load growth, and other changes forecast to occur between the most recently completed Capability Year and the current Capability Year to which the Capacity Tag applies. The Capacity Tag is calculated each April based on the customer's demand at the hour of the prior calendar year's NYCA peak load, and is set for a period of twelve months starting each May 1st.