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

SERVICE CLASSIFICATION NO. 11 (Continued)

SPECIAL PROVISIONS: (Continued)

2. Special Provision For Customers With Customer Service Agreements Which Contain A Renewal Provision

Notwithstanding the foregoing, where an existing S.C. No. 11 contract was effective on or before October 10, 1997 and expires on or before August 31, 2003, and such Customer Service Agreement grants the customer a unilateral right to renew or extend that Customer Service Agreement, the customer has the right to:

- (i) extend the contract according to its terms, or
- (ii) extend the contract in accordance with Special Provision A (1) and (2) above. In the event the customer elects the Customer Service Agreement option to renew, upon expiration of the Customer Service Agreement at the end of the extended option term, the customer may extend the Customer Service Agreement as provided in this Special Provision A.

B. Customer's Options Under the Retail Access Program

In the event the customer is eligible to receive Electricity Supply Service under Rule 39, Retail Access Program, the Company will make available to the customer a pricing option to unbundle the Electricity Supply Service cost parameters of the customer's Customer Service Agreement. The customer shall thereafter be permitted to purchase Electricity Supply Service from the Company under the modified Customer Service Agreement or from an ESCo under the Company's unbundling proposal. In the event that the customer requests that the Company unbundle the pricing provisions of its Customer Service Agreement, the customer shall only be eligible to purchase Electricity Supply Service from the Company under the default option of the customer's otherwise applicable service classification's Standard Tariff Rates.

C. Electricity Supply Cost:

Unless otherwise explicitly provided for in the Customer Service Agreement, customers who take service from the Company under this Service Classification No. 11 shall have their Electricity Supply Service (in kWh) priced according to Rule 46.1, Electricity Supply Cost, as determined in accordance with the Load Area containing the Company's Retail Delivery Point.

Notwithstanding the foregoing, for customers served under this Service Classification No. 11 as of September 1, 1998 who entered into a Customer Service Agreement which was either fully executed or made effective on or before July 23, 1997, the Company shall price the customer's Electricity Supply Service in accordance with the Company's System Average Electricity Supply cost as provided for in Rule 46.1, Electricity Supply Cost, provided however, customers with Electricity Supply Service priced at the Company's System Average Price shall be provided with an opportunity to receive Electricity Supply Service in accordance with the terms and conditions approved in Case 01-M-0075.