

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

LEAF: 469
REVISION: 1
SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION NO. 12 (Continued)

6. STANDARDIZED DISCOUNT RATES

- 6.1 Application of Discounts:** Customers served under Section 6 of this SC-12 shall pay the Customer, Demand, and Reactive Power Demand charges, in addition to any applicable C.T.C. charges, set according to the otherwise applicable Standard Tariff Rate Schedule. Customers served under Section 6 of this SC-12 shall also pay for Electricity Supply Cost as specified in accordance with Section 8 of this service classification and Rule 46.1-Electricity Supply Cost. The discounts under this SC-12 shall be administered on a targeted basis, applied to the C.T.C. per kWh charge. The determination of the C.T.C. per kWh shall be determined as follows:

6.1.1 Determination of C.T.C. per kWh Before Implementation of Retail Access: Prior to the implementation of retail access, the C.T.C. per kWh shall be determined by subtracting the Customer's Electricity Supply Service, as specified in accordance with Section 8 of this service classification and Rule 46.1-Electricity Supply Cost, from the qualifying SC-12 customer's otherwise applicable Standard Tariff energy rate. In cases where the SC-12 customer's otherwise applicable Standard Tariff energy rate includes blocked rate structures, the discount shall be calculated using the first block's energy rate and administered according to the provisions specified in Form I.

6.1.2 Determination of C.T.C. per kWh After Implementation of Retail Access: Following the implementation of retail access, the C.T.C. per kWh shall be determined according to the qualifying SC-12 customer's otherwise applicable Standard Tariff unbundled C.T.C. per kWh charge. In cases where the SC-12 customer's otherwise applicable Standard Tariff energy rate includes blocked rate structures, the discount shall be calculated using the first block's C.T.C. per kWh charge and administered according to the provisions specified in Form I.

6.1.3 Customer's Options Under Retail Access: 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.

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