

PSC NO: 2 ELECTRICITY
COMPANY: MASSENA ELECTRIC DEPARTMENT
EFFECTIVE DATE: 11/01/2006

LEAF: 35
REVISION: 2
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION NO. 8 (CONT'D)
Individual Service Agreements

MONTHLY RATE :

Individual Electric Service Agreements executed for each Customer will, at minimum, recover MED's marginal costs plus a contribution toward system costs.

The Marginal Cost is defined as:

MCpower + MCtrans + MCdist + MCancillary + NTAC + contribution toward system costs

Where:

MCpower is the demand and energy costs incurred to supply power to the customer

MCtrans is a FERC-approved Transmission Service Charge that MED pays to get power to its distribution system.

MCdist is MED's marginal distribution costs

MCancillary is MED's system load weighted average of the NYISO ancillary services charges for Schedules 1 (fixed and variable), 2, 3, 5, and 6

NTAC is the NYPA Transmission Access Charge

FINANCIAL ARRANGEMENTS :

At the sole discretion of the MED, the MED may waive certain costs due to it, in whole or in part, or make other necessary financial arrangements with customers served under this Rider, so long as the MED believes that the revenue derived from the applicant will provide sufficient revenue over and above the incremental cost incurred by the MED. These costs include, but are not limited to the following:

- (A) Special installation to meet their particular requirements for service at other than standard voltage or frequency and for the supply of closer voltage regulation than is required by standard practice. (See Section C, Tariff Leaf No.: 27)
- (B) Surety bonds

For all contracts entered under this service classification, MED will request trade secret protection so rates and terms are not available to the general public.

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