Consolidated Edison Company of New York, Inc.

Delivery Service Rate Schedule Implementing and Part of the Service Agreement between the Power Authority of the State of New York (PASNY) and the Consolidated Edison Company of New York, Inc. (the Company), dated March 10, 1989, for the delivery by the Company of Power and Associated Energy to Authority Public Customers.

Issued under authority of order of the Public Service Commission dated March 27, 1996, in Case 95-E-1082.

Issued: March 29, 1996 Effective: April 1, 1996

(Subsequent Changes Will be Effective as Shown on Individual Leaves)

Issued by Raymond J. McCann, Executive Vice President and Chief Financial Officer
Consolidated Edison Company of New York, Inc.
4 Irving Place
New York, N.Y. 10003
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<th>Description</th>
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## Reference:

All references to the Company’s Schedule for Electricity, or to any leaves, terms and conditions or Service Classifications therein shall be understood to refer to Consolidated Edison Company’s Schedule for Electricity Service, PSC No. 9 – Electricity, now on file with the Public Service Commission and its leaves, terms and conditions and Service Classifications as the same may be modified or superseded from time to time. All references to PASNY Customers shall be understood to refer to the Authority Public Customers referenced on the cover of this Rate Schedule. The Company and PASNY have agreed that for the convenience of both parties the Company may deal directly with PASNY Customers in connection with the delivery of power and energy under this Rate Schedule. Accordingly, there are references herein to privileges and responsibilities of PASNY Customers. These references are for convenience only and are not intended to derogate from PASNY’s rights and duties under this Rate Schedule.
**DELIVERY SERVICE CLASSIFICATION - GENERAL**

Applicable to Use of Service for

The delivery of power and associated energy to PASNY Customers pursuant to the Service Agreement referenced on the cover of this Rate Schedule, subject to the Special Provisions of this Rate Schedule.

Character of Service

The characteristics of service for the delivery of power and energy to PASNY Customers shall be the same as they would be if the PASNY Customers were taking electric service from the Company under an appropriate electric Service Classification of the Company's Schedule for Electricity.

Delivery Service Rate I

**Applicability:** To PASNY Customers who are not served under Rate II, Rate III, or Rate IV.

**Reactive Power Demand Charge**

The Reactive Power Demand Charge is applicable as specified under the Common Provisions of this Rate Schedule.

**Demand Charge** *(per kw per month of the maximum demand)* applicable to demand-metered service, street lighting in The City of New York and The City of New York calculated demand accounts.

<table>
<thead>
<tr>
<th>Service</th>
<th>Delivery Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Tension Service</td>
<td></td>
</tr>
<tr>
<td>For each kilowatt</td>
<td>$20.85</td>
</tr>
<tr>
<td>High Tension Service</td>
<td></td>
</tr>
<tr>
<td>For each kilowatt</td>
<td>$18.78</td>
</tr>
</tbody>
</table>

**Energy Charge** *(cents per kwhr per month)* - applicable to non-demand-metered service and Westchester street lighting:

<table>
<thead>
<tr>
<th>Service</th>
<th>Delivery Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>For each kilowatthour</td>
<td>16.68</td>
</tr>
</tbody>
</table>

(Date of Issue: March 1, 2011) Date Effective: April 1, 2011

Issued by Robert N. Hoglund, Senior Vice President and Chief Financial Officer, 4 Irving Place, New York, N.Y. 10003
Facilities and Service Connection Charges - for street lighting and fire alarm or signal systems

(A) Furnishing and Maintaining Control Equipment Charge (per calendar month)

Delivery service for public street lighting in the County of Westchester is subject to the following additional charge and is available subject to the limitations provided in Special Provision 6. (A) (7) hereof.

For each point of service termination, as defined in Special Provision 6. (A) (5) hereof, where the Company supplies controlled period service from its circuits. $4.35

(B) Facilities Charge (per calendar month)

Delivery service for public street lighting in The City of New York is subject to the following additional charge:

For each point of service termination, as defined in Special Provision 6. (A) (5) hereof, where the Company's electrical system is connected to the City's lighting unit or to a lighting circuit owned by the City. $9.35

(C) Service Connection and Gong or Signal Circuit Charge (per month)

Delivery service for the operation of interior fire alarm or signal systems not connected to the metered supply for the building and where separate service is supplied, is subject to the following charges:

(1) For service connection. $110.08

(2) For each gong or signal circuit or combination of gong or signal circuits in which there is a continuous flow of current of not over 125 milliamperes, the voltage of the supply being approximately 120 volts or the equivalent (taken as 15 volt-amperes) at other supply voltages. $7.56

(3) For each additional 125 milliamperes (or equivalent) of continuous flow, or fraction thereof, an additional charge of. $7.56

(Delivery Service Classification - General - Continued on Leaf No. 5)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Delivery Service Rate II - Time-of-Day

Applicability: To PASNY Customers whose maximum demand in any month between January 1, 1975, and September 30, 1988, exceeded 3,000 kw (Phase 1); to PASNY Customers whose maximum demand in any month between January 1, 1980, and September 30, 1988, exceeded 1,500 kw but was equal to or less than 3,000 kw (Phase 2).

Time-of-day rates also apply to:

(1) any PASNY Customer whose monthly maximum demand after September 30, 1988, exceeds 1,500 kw in any annual period ending September 30;

(2) any new PASNY Customer whose monthly maximum demand in the Company's estimate will exceed 1,500 kw during the first year of service; and

(3) successors of PASNY Customers referred to above if eligible for PASNY delivery service.

A Rate II PASNY Customer shall be transferred to and billed under Rate I when the PASNY Customer's monthly maximum demand does not exceed 900 kw for 12 consecutive months. Rate II is not applicable to traction and substation accounts.

Rate II is not applicable to PASNY Customers subject to Rate IV, except for Customers who would otherwise be subject to Rate IV but are instead served under Rate II pursuant to Special Provision 3 (B), 3 (F), or 3 (G).

Reactive Power Demand Charge

The Reactive Power Demand Charge is applicable as specified under the Common Provisions of this Rate Schedule.

Demand Charges (per kw per month of the maximum demand)

<table>
<thead>
<tr>
<th>Month</th>
<th>Time Period</th>
<th>Delivery Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>June, July, August, September</td>
<td>Mon. - Fri., 8 AM - 6 PM</td>
<td>$6.03</td>
</tr>
<tr>
<td></td>
<td>Mon. - Fri., 8 AM - 10 PM</td>
<td>$16.69</td>
</tr>
<tr>
<td>All other months</td>
<td>Mon. - Fri., 8 AM - 10 PM</td>
<td>$9.70</td>
</tr>
</tbody>
</table>

**High and Low Tension Service**

**Low Tension Service**

<table>
<thead>
<tr>
<th>Month</th>
<th>Delivery Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>June, July, August, September</td>
<td>$18.34</td>
</tr>
<tr>
<td>All other months</td>
<td>$5.80</td>
</tr>
</tbody>
</table>

The total demand charge for each billing period, excluding the Reactive Power Demand Charge, shall be the sum of the charges for each applicable time period, each charge determined by multiplying the maximum demand for the respective time period by the rate applicable for that time period.

(Date of Issue: March 1, 2011)

Issued by Robert N. Hoglund, Senior Vice President and Chief Financial Officer, 4 Irving Place, New York, N.Y. 10003

(Date Effective: April 1, 2011)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Delivery Service Rate II - Time-of-Day - Continued

Demand Charges (per kw per month of the maximum demand) - Continued

The summer billing period is the four month period from June 1 to September 30. The winter billing period is the balance of the year. When a bill includes periods during both the summer billing period and the winter billing period, the rates and charges applicable will be prorated based on the number of days in the summer billing period and the number of days in the winter billing period related to the total number of days in the billing period.

The first bill under Rate II for a Phase 2 PASNY Customer shall be rendered when such Customer's entire usage is subsequent to January 13, 1989. Thereafter, for PASNY Customers transferring from Rate I to Rate II, the first bill under Rate II shall be rendered when a PASNY Customer's entire usage is subsequent to December 31 of the annual period ending September 30 in which the PASNY Customer becomes subject to Rate II.
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Delivery Service Rate III

Applicability: To PASNY Customers subject to Special Provision 3 of this Rate Schedule who use the Company’s service for standby service purposes, have a Contract Demand of less than 1500 kW, and are neither supplied by high tension service at 138,000 volts nor served under Rate I pursuant to Special Provision 3 (B), 3 (F), or 3 (G) of this Rate Schedule.

Charges under this Rate will include a Customer Charge per month, a Delivery Service Contract Demand Charge, and As-used Daily Delivery Service Demand Charges. The Delivery Service Contract Demand Charge is determined by multiplying the Contract Demand by the applicable charge. For each day in the billing period for which As-used Daily Delivery Service Demand Charges are to be determined, the As-used Daily Delivery Service Demand Charge for Period 1 shall be determined by multiplying the daily maximum demand during Period 1 by the per-kilowatt As-used Daily Delivery Service Demand Charge for Period 1; the As-used Daily Delivery Service Demand Charge for Period 2 shall be determined by multiplying the daily maximum demand during Period 2 by the per-kilowatt As-used Daily Delivery Service Demand Charge for Period 2. As-used Daily Delivery Service Demand Charges will not be prorated. As-used Daily Delivery Service Demand Charges, as billed, are equal to the sum of the As-used Daily Delivery Service Demand Charges for Period 1 and Period 2.

A PASNY Customer with induction-type generating equipment will be subject to a Reactive Power Demand Charge.

Reactive Power Demand Charge

The Reactive Power Demand Charge is applicable as specified under the Common Provisions of this Rate Schedule.
## DELIVERY SERVICE CLASSIFICATION - GENERAL

Delivery Service Rate III-Where the Contract Demand is greater than 10 kW

### Low Tension Service

<table>
<thead>
<tr>
<th></th>
<th>June - September</th>
<th>October-May</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge (per Month)</td>
<td>$239.43</td>
<td>$239.43</td>
</tr>
<tr>
<td>Delivery Service Contract Demand Charge (per kW of Contract Demand)</td>
<td>$5.19</td>
<td>$5.19</td>
</tr>
<tr>
<td>As-used Daily Delivery Service Demand Charge - Period 1* (per kW of Daily Peak Demand during Period 1)</td>
<td>$0.3715</td>
<td>$-</td>
</tr>
<tr>
<td>As-used Daily Delivery Service Demand Charge - Period 2** (per kW of Daily Peak Demand during Period 2)</td>
<td>$0.9911</td>
<td>$0.4893</td>
</tr>
</tbody>
</table>

### High Tension Service Below 138 kV

<table>
<thead>
<tr>
<th></th>
<th>June - September</th>
<th>October-May</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge (per Month)</td>
<td>$239.43</td>
<td>$239.43</td>
</tr>
<tr>
<td>Delivery Service Contract Demand Charge (per kW of Contract Demand)</td>
<td>$4.40</td>
<td>$4.40</td>
</tr>
<tr>
<td>As-used Daily Delivery Service Demand Charge - Period 1* (per kW of Daily Peak Demand during Period 1)</td>
<td>$0.3763</td>
<td>$-</td>
</tr>
<tr>
<td>As-used Daily Delivery Service Demand Charge - Period 2** (per kW of Daily Peak Demand during Period 2)</td>
<td>$0.3171</td>
<td>$0.2953</td>
</tr>
</tbody>
</table>

* Period 1: Monday through Friday, 8 AM - 6 PM, June through September
  Monday through Friday, 8 AM - 10 PM, all other months

** Period 2: Monday through Friday, 8 AM - 10 PM, all months

Date of Issue: March 1, 2011  Date Effective: April 1, 2011

Issued by Robert N. Hoglund, Senior Vice President and Chief Financial Officer, 4 Irving Place, New York, N.Y. 10003
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Delivery Service Rate IV

**Applicability:** To PASNY Customers subject to Special Provision 3 of this Rate Schedule who use the Company’s service for standby service purposes, either have a Contract Demand equal to or greater than 1500 kW or have high-tension service supplied at 138,000 volts, and are not served under Rate I or Rate II pursuant to Special Provision 3 (B), 3 (F), or 3 (G).

Rate IV is not applicable to traction and substation accounts.

Charges under this Rate will include a Customer Charge per month, a Delivery Service Contract Demand Charge, and As-used Daily Delivery Service Demand Charges. The Delivery Service Contract Demand Charge is determined by multiplying the Contract Demand by the applicable charge. For each day in the billing period for which As-used Daily Delivery Service Demand Charges are to be determined, the As-used Daily Delivery Service Demand Charge for Period 1 shall be determined by multiplying the daily maximum demand during Period 1 by the per-kilowatt As-used Daily Delivery Service Demand Charge for Period 1; the As-used Daily Delivery Service Demand Charge for Period 2 shall be determined by multiplying the daily maximum demand during Period 2 by the per-kilowatt As-used Daily Delivery Service Demand Charge for Period 2. As-used Daily Delivery Service Demand Charges will not be prorated. As-used Daily Delivery Service Demand Charges, as billed, are equal to the sum of the As-used Daily Delivery Service Demand Charges for Period 1 and Period 2.

A PASNY Customer with induction-type generating equipment will be subject to a Reactive Power Demand Charge.

**Reactive Power Demand Charge**

The Reactive Power Demand Charge is applicable as specified under the Common Provisions of this Rate Schedule.
## DELIVERY SERVICE CLASSIFICATION - GENERAL

### Delivery Service Rate IV - Continued

#### Low Tension Service

<table>
<thead>
<tr>
<th>Service</th>
<th>June - September</th>
<th>October-May</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge (per Month)</td>
<td>$1,550.00</td>
<td>$1,550.00</td>
</tr>
<tr>
<td>Delivery Service Contract Demand Charge (per kW of Contract Demand)</td>
<td>$7.18</td>
<td>$7.18</td>
</tr>
<tr>
<td>As-used Daily Delivery Service Demand Charge - Period 1* (per kW of Daily Peak Demand during Period 1)</td>
<td>$0.3556</td>
<td>$ -</td>
</tr>
<tr>
<td>As-used Daily Delivery Service Demand Charge - Period 2** (per kW of Daily Peak Demand during Period 2)</td>
<td>$0.9943</td>
<td>$0.5216</td>
</tr>
</tbody>
</table>

#### High Tension Service Below 138 kV

<table>
<thead>
<tr>
<th>Service</th>
<th>June - September</th>
<th>October-May</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge (per Month)</td>
<td>$1,550.00</td>
<td>$1,550.00</td>
</tr>
<tr>
<td>Delivery Service Contract Demand Charge (per kW of Contract Demand)</td>
<td>$5.20</td>
<td>$5.20</td>
</tr>
<tr>
<td>As-used Daily Delivery Service Demand Charge - Period 1* (per kW of Daily Peak Demand during Period 1)</td>
<td>$0.3610</td>
<td>$ -</td>
</tr>
<tr>
<td>As-used Daily Delivery Service Demand Charge - Period 2** (per kW of Daily Peak Demand during Period 2)</td>
<td>$0.3119</td>
<td>$0.2996</td>
</tr>
</tbody>
</table>

* Period 1: Monday through Friday, 8 AM - 6 PM, June through September
  Monday through Friday, 8 AM - 10 PM, all other months

** Period 2: Monday through Friday, 8 AM - 10 PM, all months

Date of Issue: March 1, 2011
Date Effective: April 1, 2011

Issued by Robert N. Hoglund, Senior Vice President and Chief Financial Officer, 4 Irving Place, New York, N.Y. 10003
**DELIVERY SERVICE CLASSIFICATION - GENERAL**

Delivery Service Rate IV - Continued

<table>
<thead>
<tr>
<th></th>
<th>June - September</th>
<th>October-May</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge (per Month)</td>
<td>$188.26</td>
<td>$188.26</td>
</tr>
<tr>
<td>Delivery Service Contract Demand Charge (per kW of Contract Demand)</td>
<td>$2.05</td>
<td>$2.05</td>
</tr>
<tr>
<td>As-used Daily Delivery Service Demand Charge - Period 1* (per kW of Daily Peak Demand during Period 1)</td>
<td>$0.2686</td>
<td>$ -</td>
</tr>
<tr>
<td>As-used Daily Delivery ServiceDemand Charge - Period 2** (per kW of Daily Peak Demand during Period 2)</td>
<td>$ -</td>
<td>$0.1309</td>
</tr>
</tbody>
</table>

* Period 1: Monday through Friday, 8 AM - 6 PM, June through September
  Monday through Friday, 8 AM - 10 PM, all other months

** Period 2: Monday through Friday, 8 AM - 10 PM, all months

Date of Issue: March 1, 2011  Date Effective: April 1, 2011

Issued by Robert N. Hoglund, Senior Vice President and Chief Financial Officer, 4 Irving Place, New York, N.Y. 10003
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV

Special Provision Adjustments

1. Definitions, applicable to Special Provision Adjustments only:

   “Pure Base Revenue” under this Rate Schedule means revenue attributable to charges under Rates I, II, III and IV, before application of the Increase in Rates and Charges, and excludes Special Provision Adjustments, the Interconnection Charge, the effect of Metering Credits for Metering Services, and Reactive Power Demand Charges. If the Minimum Monthly Charge would apply, then Pure Base Revenue means revenue attributable to the Minimum Monthly Charge before application of the Increase in Rates and Charges.

   “Delivery Revenues” under this Rate Schedule means Pure Base Revenue under this Rate Schedule plus the effect of Metering Credits for Metering Services before application of the Increase in Rates and Charges.

2. The rates and charges for the delivery of power and energy to PASNY Customers shall be subject to the following:

   (A) A charge representing PASNY's share of the cost of the savings passed on to Madison Square Garden in accordance with Section 3, Chapter 459, 1982 N. Y. Laws.

(Delivery Service Classification - General - Continued on Leaf No. 7)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

[RESERVED FOR FUTURE USE]

(Delivery Service Classification - General - Continued on Leaf No. 7-A)

Date of Issue: March 31, 2005
Effective April 1, 2005

Effective under authority of PSC Order in Case 04-E-0572 made March 24, 2005

Issued by Joan S. Freilich, Executive Vice President and
Chief Financial Officer
4 Irving Place, New York, N.Y. 10003
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV - Continued

Special Provision Adjustments - Continued

(B) System Benefits Charge

The System Benefits Charge, and any surcharge thereto authorized by the Commission, is applicable to all PASNY Customers who utilize the Company's distribution system and recovers costs required to be spent on necessary environmental and other public policy programs. The System Benefits Charge for each rate is shown below.

The System Benefits Charge is currently $0.00 for Rate I, Rate II, Rate III, and Rate IV.

(C) Monthly Adjustment Clause and Adjustment Factor - MAC

The Monthly Adjustment Clause ("MAC") and the Adjustment Factor - MAC, described in the Company's Schedule for Electricity Service, will not apply to service under this Rate Schedule to the extent that the weather-adjusted contribution of PASNY Customers to the franchise area peak load does not exceed the load stated in Appendix E of the Joint Proposal, dated December 2, 2004, in PSC Case No. 04-E-0572 for such year. If such amount is exceeded, the above-market costs of non-divested generation assets that are recovered through the MAC and Adjustment Factor - MAC and that would otherwise be applicable if the PASNY Customer received service under the Company's "Schedule for Retail Access" will apply to such excess.

PASNY Customers served under this Rate Schedule as of October 1, 1996, including "In-rem" accounts of the City of New York listed in the October 16, 1996 letter from the City of New York to Con Edison and accounts of the New York State Urban Development Corporation at the Queens West Development whenever transferred to this rate schedule, will not be liable for the above-market costs of non-divested generation assets that are recovered through the MAC and Adjustment Factor - MAC, irrespective of the Company tariff under which they receive service. When a PASNY Customer served under this Rate Schedule as of October 1, 1996 adds an additional account to this Rate Schedule (other than accounts transferred from another Company rate schedule), such account will be considered part of the PASNY Customer's load served as of October 1, 1996.

(D) Transition Adjustment for Metering Services

At the end of each rate year ending March 31, there will be full recovery of lost revenues resulting from Metering Credits provided for Customers served under this Rate Schedule. PASNY will be subject to a Transition Adjustment to recover lost revenues (i.e., the difference between aggregate credits from the application of Metering Credits for PASNY Customers during the rate year and costs avoided by the Company when metering functions are performed for a PASNY Customer by an entity other than the Company).
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV - Continued

Special Provision Adjustments - Continued

(E) Rate Adjustment Clause

(a) Pursuant to the Order of the Public Service Commission (the “Commission”), dated March 26, 2010, in Case 09-E-0428, $248.8 million of the rate year revenue requirement, starting with the rate year ending March 31, 2011, is to be recovered pursuant to a rate adjustment clause mechanism and shall be subject to refund based on the Commission’s audit and review of the Company’s contract-related capital, O&M and related expenditures, as set forth in the Commission’s Order, dated February 12, 2009, in Case 09-M-0114. The portion of the rates and charges shown in each Rate that comprise this rate adjustment clause mechanism for the current rate year ending March 31, are shown on the Statement of Rate Adjustment Clause filed apart from this Rate Schedule. This portion of the Company’s revenue requirement will continue to be recovered in this manner until such time as the Commission determines otherwise.

(b) Pursuant to the Commission’s Order, dated March 26, 2010, in Case 07-E-0523 and Case 08-E-0539, the Company is required to refund $36.4 million to Con Edison customers, the Power Authority of the State of New York and Economic Delivery Service customers. The portion of the credit applicable under this Rate Schedule is $4,220,655 and will be applied as a one-time credit on the August 2010 bill issued to PASNY.

(F) Revenue Decoupling Mechanism (“RDM”) Adjustment

Pure Base Revenue under this Rate Schedule is subject to reconciliation through an RDM Adjustment.

(1) Mechanism

The Company will reconcile the difference between actual Pure Base Revenue and Allowed Pure Base Revenue under this Rate Schedule, as follows:

(a) Every month, the Company will reconcile the difference between actual Pure Base Revenue and Allowed Pure Base Revenue under this Rate Schedule.

Except as provided below, every six months, the cumulative difference plus the adjustment for Low Income Program costs, as explained in section (4) below, will be charged or credited to PASNY, with interest (calculated at the Other Customer Capital Rate), over the six-month period that commences two months later. That is, the difference for the six-month period April though September will be collected/refunded over the six months commencing November, and the difference for the six-month period October through March will be collected/refunded over the six months commencing May.

If the cumulative actual difference between actual Pure Base Revenue and Allowed Pure Base Revenue equals or exceeds $10 million under this Rate Schedule plus the Schedule for Electricity, P.S.C. No. 9 - Electricity, and the Schedule for Retail Access, P.S.C. No. 2 – Retail Access before the end of six months, the Company may initiate collection or refund of RDM amounts prior to the onset of a six-month RDM collection/refund period or adjust the amounts to be collected or refunded for the remaining months of an RDM collection/refund period.
(F) Revenue Decoupling Mechanism ("RDM") Adjustment - Continued

(1) Mechanism - Continued

(2) Statement

The monetary amount to be collected from or credited to PASNY under the RDM Adjustment will be determined by dividing the amount to be charged or credited over the RDM collection/refund period divided by the number of months in the collection/refund period. For example, if an amount is to be charged over a six-month period, one-sixth of the amount will be billed monthly.

(3) Allowed Pure Base Revenue

Allowed Pure Base Revenue under this Rate Schedule is as follows:

For the 12 months commencing April 2011* .............. $41,555,000

* Allowed Pure Base Revenue commencing April 2011 will be based on revenue targets set in Case 09-E-0428. Revenue targets will continue unless and until changed provided, however, that if the Company does not file for new base delivery rates to become effective on or before April 14, 2013, amounts will be reset commencing April 14, 2013, to reflect the expiration of the temporary surcharges in effect for the 12 months ending March 31, 2013.

For the 12 months commencing April 2012 .............. $41,555,000

For the 12 months commencing April 2013 .............. $41,555,000

For the 12 months commencing April 2014 .............. $41,555,000

For the 12 months commencing April 2015 .............. $41,555,000

Annual Allowed Pure Base Revenue will be revised whenever there is a change in delivery rates. Furthermore, if for any reason, a Service Classification of the Company's Schedule for Retail Access no longer has existing customers, the Allowed Pure Base Revenue for that Service Classification on the Company's Schedule for Retail Access will be reduced to zero. In the event the Allowed Pure Base Revenue for a Service Classification is reduced to zero, the Company will notify the Department of Public Service Commission Staff of the revised Allowed Pure Base Revenue amount(s). The Company will be allowed to defer collection of any revenue shortfalls or refunds of any revenue surpluses that result from a delay in the approval of a reallocation of Allowed Pure Base Revenue.
(F) Revenue Decoupling Mechanism (“RDM”) Adjustment - Continued

(4) Low Income Program Costs

The Company will adjust the RDM amounts to be collected over each six-month RDM collection/refund period to reflect each class’s share of the difference between actual Low Income Program costs and the amount of these costs included in rates (i.e., $38.75 million annually).

Any Low Income Program costs required to be collected or refunded will be passed through the RDM Adjustment applicable under this Rate Schedule and the RDM Adjustment applicable under the Company’s Schedule for Electricity and the Retail Access Rate Schedule. The amount to be collected or refunded under this Rate Schedule will be equal to the total amount to be collected or refunded times the ratio of forecasted Rate Year Delivery Revenues under this Rate Schedule to the combined total of forecasted Rate Year Delivery Revenues under this Rate Schedule, the Schedule for Electricity, and the Retail Access Rate Schedule for the Rate Year in effect at the commencement of the six-month collection/refund period.

Continuation of the Low Income Program beyond March 31, 2013, will be contingent on the continuation of full cost recovery through the RDM Adjustment or an equivalent mechanism.
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV - Continued

Special Provision Adjustments - Continued

(G) Delivery Revenue Surcharge

As directed by the Public Service Commission in its Order, issued and effective April 24, 2009, in Case 08-E-0539, the Delivery Revenue Surcharge (the “Surcharge”) will collect, over 23 months commencing May 2009, Allowed Pure Base Revenue shortfalls applicable under this Rate Schedule that result from the extension of the Case 08-E-0539 suspension period, plus interest at the Company’s pre-tax rate of return. The Surcharge will be shown on the Statement of PASNY Delivery Revenue Surcharge, which will be filed with the Public Service Commission, apart from this Rate Schedule, no less than three days before its effective date or such later date as directed by the Commission.

(H) Surcharge to Collect Assessments Under Section 18-a of the Public Service Law

To implement the change to Section 18-a of the Public Service Law (“PSL”), signed into law on April 7, 2009, the Company will collect through a delivery service surcharge, applicable under each Rate Schedule, the amount assessed to the Company, excluding gross receipts taxes, in excess of the amount reflected in base rates. As directed in the Public Service Commission’s Order, dated June 19, 2009, in Case 09-M-0311, delivery service surcharges for each 12-month period commencing July will be designed to collect any Section 18-a assessment for the State fiscal year that commenced April of that year above the amount reflected in base rates, plus working capital costs at the Company’s pre-tax rate of return. Amounts surcharged pursuant to the Commission’s Order, issued and effective April 24, 2009, in Case 08-E-0539, will be applied to the amount to be collected over the 12 months commencing July 1, 2009. To the extent the amount of the surcharge decreases in any year due to a fluctuation in annual intrastate gross operating revenues, the Company will maintain the prior year’s surcharge to improve its cash flow position without increasing Customers’ bills.

Any difference between Section 18-a amounts to be recovered and actual amounts collected, excluding gross receipts taxes, will be reflected in a subsequent period surcharge; provided, however, that any reconciliation amount required to be collected after the last year that the surcharge is in effect, will be deferred, plus working capital costs, for future disposition.

The delivery service surcharge will be allocated to each customer class based on the class contribution to the Company’s total electric revenues, including gross receipts taxes. The contribution of each class will include both delivery and supply charges for all Service Classifications (“SC”s) of the Company’s Schedule for Electricity Service and the Retail Access Rate Schedule (including estimated supply charges for retail access classes), delivery charges only for the PASNY and EDDS classes, and gross receipts taxes for all.

The delivery service surcharge per month applicable to service under this Rate Schedule will be shown on the Statement of PASNY Surcharge to Collect PSL Section 18-a Assessments (the “Statement”) that is filed with the Public Service Commission apart from this Rate Schedule. Unless otherwise directed by the Commission, any change to the amount to be collected will be filed with the Commission on a revised Statement no less than 15 days prior to the Statement’s effective date.

(Date of Issue: June 29, 2009)
(I) Smart Grid Surcharge

A Smart Grid Surcharge is applicable to service under this Rate Schedule to reflect costs to be collected for approved Smart Grid projects, as directed by the Public Service Commission in Case 09-E-0310. Costs will be collected for each project based on the date that each unit of project work is placed or expected to be placed in service, except for costs associated with the Smart Grid Demonstration Project, which will be collected over a five-year period.

The total amount to be collected by the Company under this Rate Schedule, the EDDS Rate Schedule, the Schedule for Electricity Service, and the Retail Access Rate Schedule is composed of the incremental revenue requirement associated with the Company’s capital and operating expenditures for Smart Grid projects. The revenue requirement includes incremental depreciation, taxes, and operating expenses (including incremental direct and associated indirect costs and contractor costs) for Smart Grid projects and a return on capital, adjusted for annual operational savings or other benefits once a project is placed in service. Customers’ share of project costs excludes grants received in connection with these projects, such as grants received from the U.S. Department of Energy under the American Recovery and Reinvestment Act and, if received, a grant from the New York State Office of Science, Technology and Academic Research under the 10% State Innovation Economy Matching Grant Program.

The initial portion of the total amount to be collected will be recovered over the five-month period commencing November 2010 and will reflect the incremental revenue requirement associated with the units of project work that were placed in service plus the incremental revenue requirement associated with the units of project work that are expected to be placed in service through March 2011 as well as a portion of the Demonstration Project costs. Commencing April 2011 and every twelve months thereafter, the portion of the total amount to be collected will be revised to reflect the incremental revenue requirement associated with the units of project work that were placed in service prior to the surcharge period plus the incremental revenue requirement associated with new units of project work expected to be placed in service over the next twelve-month period and additional portions of the Demonstration Project costs. In addition, the amount to be collected over the annual period commencing April of each year will contain an adjustment for prior periods to reflect the difference, with interest (calculated at the Company's authorized pre-tax rate of return), between the incremental revenue requirement for actual project work that was placed in service and the amount collected.

The amount to be collected under this Rate Schedule will be determined by multiplying the amount to be collected in the five-month period commencing November 2010 and in any annual period thereafter by the ratio of forecasted Rate Year Delivery Revenues under this Rate Schedule to total combined forecasted Rate Year Delivery Revenues under this Rate Schedule, the EDDS Rate Schedule, Company’s Schedule for Electricity Service, and the Retail Access Rate Schedule for the Rate Year in effect at the commencement of each collection period (i.e., five months initially and twelve months thereafter).

The Smart Grid Surcharge to be collected each month under this Rate Schedule will be calculated to recover the sum of the amount to be collected under this Rate Schedule over the collection period plus any prior period adjustment, and increased by the applicable Increase in Rates and Charges, divided by the number of months in the collection period. The Smart Grid surcharge amount will be shown on the Statement of Smart Grid Surcharge, which will be filed with the Public Service Commission, apart from this Rate Schedule, no less than three days before its effective date. The Smart Grid Surcharge amount will be shown as a single monetary amount on the monthly bill rendered to PASNY.

The Company will phase out the Smart Grid Surcharge as the costs of projects are moved into base rates. Surcharge collections are subject to refund if the Commission determines project costs to have been imprudently incurred or surcharge calculations to be incorrect.
Special Provision Adjustments - Continued

(J) Charge for Demand Management Programs

(1) A charge will be applicable to service under this Rate Schedule to recover the allocation to PASNY of program costs, as incurred, to be collected over a reasonable period of time, associated with the implementation of the Commercial System Relief Program (“CSRP”), the Critical Peak Rebate Program, the Residential Smart Appliance Program, and the Network Relief Program, as well as the Targeted Demand Side Management Program established in Case 09-E-0115. A portion of total net program costs (i.e., all program costs net of revenues received from Penalties paid under the CSRP but inclusive of Penalties returned to 2010 CSRP participants after October 2011, and excluding Lost Reservation Payments made under CSRP) will be collected under this Rate Schedule based on the ratio of forecasted Rate Year Delivery Revenues under this Rate Schedule to total combined forecasted Rate Year Delivery Revenues under this Rate Schedule, the Company’s Schedule for Electricity Service, the Retail Access Rate Schedule, and the EDDS Rate Schedule for the Rate Year in effect at the commencement of the collection period.

The amount to be charged to PASNY will be determined by dividing the amount to be charged over the collection period by the number of months in the collection period.

(2) A charge will be applicable to service under this Rate Schedule to recover the allocation to PASNY of program costs, as incurred, associated with the Distribution Load Relief Program, beginning with costs incurred for the 2011 summer program, pursuant to the Commission’s Order issued January 20, 2011, in Case 10-E-0530. Program costs will be collected under this Rate Schedule based on the ratio of forecasted Rate Year Delivery Revenues under this Rate Schedule to total combined forecasted Rate Year Delivery Revenues under this Rate Schedule, the Company’s Schedule for Electricity Service, the Retail Access Rate Schedule, and the EDDS Rate Schedule for the Rate Year in effect at the commencement of the collection period.

The amount to be charged for Demand Management Programs, increased by the applicable Increase in Rates and Charges, will be shown as a single monetary amount on the monthly bill rendered to PASNY.
DElIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV

Interconnection Charge

(A) PASNY Customers shall be subject to the following charges for interconnection costs for taking service for standby service purposes in accordance with Special Provision 3 of this Rate Schedule if private generating facilities on the premises or wholesale generating facilities on the premises not connected directly to transmission facilities (that is, delivery facilities other than distribution facilities) (i) commenced operation prior to February 1, 2000; or (ii) commenced operation between February 1, 2000 and December 30, 2004, and either have a total nameplate rating between 301 kVA and 2 MW or are connected in parallel with the network system; or (iii) have a total nameplate rating greater than 2 MW and are connected in parallel with the distribution system:

(1) A charge for the reasonable costs of connection, including the costs of initial engineering evaluations, switching, metering, transmission, distribution, safety provisions, engineering, administrative costs, and any associated tax expenses incurred by the Company directly related to the installation of the facilities deemed necessary by the Company to permit interconnected operations with a PASNY Customer, to the extent such costs are in excess of the corresponding costs which the Company would have incurred had the PASNY Customer taken firm delivery service. All such facilities will remain the property of the Company. The PASNY Customer may pay for the foregoing interconnection costs:

(a) by paying in full prior to the commencement of service under this Rate Schedule or

(b) by paying at least twenty-five percent of the interconnection costs prior to the commencement of service under this Rate Schedule and arranging with the Company to pay over not more than a five year period the balance of such interconnection costs plus interest at the other Customer provided capital rate in effect at the time a payment plan is agreed upon with the Company. The Company may require the PASNY Customer to provide adequate security for the payment of the balance of interconnection costs due the Company under a payment agreement.

The costs of delivery system reinforcements required for parallel operations and incurred subsequent to interconnection are an element of the interconnection costs and will be charged to the PASNY Customer, provided that such costs are initially foreseen, but not necessarily incurred at the time of interconnection. The Customer may pay for this element of interconnection cost at the time it is incurred, or pursuant to a payment agreement similar to the one described in the preceding paragraph.

(2) An annual charge of 12.1 percent of the capital costs of interconnection, including the costs of delivery system reinforcements, to cover property taxes and operation and maintenance expenses. The annual charge shall be determined by multiplying the rate of 12.1 percent by the total capital costs of interconnection. The annual charge is payable by the PASNY Customer in monthly installments equal to one-twelfth of the annual charge.

(Delivery Service Classification - General - Continued on Leaf No. 8-A)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Common Provisions Applicable to Rate I, Rate II, Rate III and Rate IV -Continued

Interconnection Charge - Continued

(B) PASNY Customers shall be subject to the following charges for interconnection costs for taking service for standby service purposes in accordance with Special Provision 3 of this Rate Schedule if private generation facilities on the premises (i) commenced operation between February 1, 2000 and December 30, 2004, have a total nameplate rating of 300 kVA or less, and are connected in parallel with the radial system; or (ii) commenced operation after December 30, 2004, have a total nameplate rating of 2 MW or less, and are connected in parallel with the distribution system:

(1) An advance payment for the costs of any equipment and facilities installed on the Company's system, including metering, necessary to permit operation of the PASNY Customer's generation facilities in parallel with the Company's system. The amounts and timing of PASNY Customers’ payments shall be determined in accordance with the New York State Standardized Interconnection Requirements and Application Process (the “SIR”) as adopted by the Public Service Commission and as may be amended from time to time by the Commission. The SIR is set out in Addendum–SIR to the Full Service Schedule.

(2) A cost-based advance payment for the Company's review of the PASNY Customer's proposed interconnection design package and for any studies, including but not limited to the Coordinated Electric System Interconnection Review, performed by the Company with respect to the interconnection of the PASNY Customer's generation facilities.

The Company will reconcile its actual costs with the total of the PASNY Customer's advance payment for estimated costs of equipment and facilities, advance payment for reviews and studies, and application fee (as described in Special Provision 3(E) of this Rate Schedule. The PASNY Customer will pay or the Company will refund, without interest, the difference, except for the application fee, which is non-refundable.

(C) A PASNY Customer taking service under this Service Classification through direct interconnection to a transmission facility shall be subject to interconnection charges imposed under a tariff of the New York State Independent System Operator in addition to any non-duplicative charges hereunder.

(D) Failure of the PASNY Customer to pay any of the interconnection charges or annual charges, when due, shall be cause for termination of service to the PASNY Customer.

(E) To the extent provided in General Rule III-8 (A) of the Full Service Schedule, eligible PASNY Customers may elect to own their own meter(s) or obtain Competitive Metering Services. In such cases, PASNY will receive a Metering Credit as described in General Information Section III-11 (V) of the Schedule for Electricity. Where the meters are Company-owned, the PASNY Customer will be responsible for metering costs in excess of the corresponding costs that the Company would have incurred had the PASNY Customer taken service under Rate I or Rate II, as applicable.

(Delivery Service Classification - General - Continued on Leaf No. 9)
Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV -Continued

Increase in Rates and Charges

The rates and charges under this Rate Schedule, including Special Provision Adjustments, are subject to a percentage increase to recover applicable taxes imposed on the Company’s revenues pursuant to the New York Tax Law and taxes imposed by the various municipalities. The Statement of Percentage Increase in Rates and Charges (“Statement”) setting forth the applicable percentage increase in effect for the various municipalities served by the Company shall be filed with the Public Service Commission apart from this Rate Schedule. A revised Statement will be filed with the Commission if the percentage increase is adjusted. Such percentage increase may be adjusted: to collect or refund the difference between State Income Taxes incurred under New York Tax Law Section 209 prior to April 1, 2005 and revenues collected for State Income Taxes for the same period; to collect or refund any under- or over-collection of tax expense incurred under applicable sections of the New York Tax Law; and to reflect any new revenue tax, repeal of a tax, or change in the rate of revenue tax enacted by a city or village.

Determination of Billable Demand

The Company will install a demand measuring device of a type approved by the Public Service Commission for the determination of the maximum demand (See General Rule III-11 (D) of the Company’s Schedule for Electricity for definition of maximum demand):

(1) If it is determined that the PASNY Customer is using, or might use, more than 10 kw of maximum demand; or

(2) If the PASNY Customer's consumption exceeds 3,000 kwhr per month in 2 consecutive months or 6,000 kwhr in a bi-monthly period provided, however, that the Company may cease to meter the demand if the demand recorded in each of the previous 12 months has not exceeded 10 kw.

An interval meter is required for service under Rate II, Rate III, and Rate IV. For service under Rate III and Rate IV, such interval meter may include equipment either to prevent reverse meter registration or to separately measure electricity generated by the PASNY Customer and electricity delivered by the Company. When demand is measured by an interval meter, the maximum “as-used” demand for each respective time period shall be the integrated demand occurring during the two highest contiguous fifteen minute intervals during that time period.

With respect to the determination of demand for public buildings of The City of New York and subject to Special Provision 11 (A) hereof, the maximum demand used to compute the bill to PASNY shall be the total of the recorded and calculated demands for all such public buildings receiving delivery service under this Tariff. Where a demand meter is not required in premises served by the Company, the determination of the monthly maximum demand for those premises shall be calculated by dividing the total energy consumed in kilowatthours by 180, except that when such calculated demand exceeds 10 kilowatts, a billing demand of 10 kilowatts shall be used.

Where meter data is not available, the As-used Demand will be based on the best available data. For a PASNY Customer who is a wholesale generator, As-used Demand Charges under Rate III and Rate IV will not apply for any day during which it self-supplies all of its energy needs from the load side of the meter.

(Delivery Service Classification - General - Continued on Leaf No. 9-A)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV - Continued

Determination of Billable Demand - Continued

Where service is billed under Rate III or Rate IV and the PASNY Customer would otherwise be subject to Rate I if it did not have private generating facilities or wholesale generating facilities on the premises, PASNY will be required to arrange for access to and maintenance of a telephone line or other remote communications equipment required by the Company for a Company- or PASNY Customer-owned meter that has remote communications capabilities. If communications is by telephone line, the Company will require PASNY to arrange for the provision and maintenance of a dedicated telephone line if the Company is unable to communicate with the meter using the existing telephone line. In addition, if the telephone line is not operational when the Company attempts to read the meter, a charge will be applied to the each monthly bill until the condition is corrected and a charge will be applied for an on-site reading on the scheduled reading date, as specified in the Retail Access Rate Schedule in the section entitled, “Meters with Telecommunications Capabilities.”

Determination of Contract Demand for Rate I and Rate II

The contract demand for demand-metered PASNY Customers billed under Rate I or Rate II, except those taking service under Special Provision 16 of this Rate Schedule, is determined each month and is equal to the PASNY Customer's highest registered demand in the most recent 18 months, or the highest registered demand on the account if the account has less than 18 months of demand history.

Any PASNY Customer may request a revision of the contract demand, and the contract demand will be adjusted to a lower level if the PASNY Customer demonstrates to the Company, in advance, permanent changes to the electrical load in its premises through changes in equipment or changes in the kind of business or activity conducted that will make it highly improbable that the PASNY Customer's current contract demand will be experienced in the future. No such adjustment may be based on expectations of changes in weather. For a PASNY Customer whose contract demand under Rate I or Rate II has been reduced, the demand history prior to the reduction will not be considered in determining the contract demand for subsequent months.

The contract demand for PASNY Customers served under Special Provision 16 of this Rate Schedule is determined in accordance with General Rule III-11(W) of the Company’s Schedule for Electricity.

(Delivery Service Classification - General - Continued on Leaf No. 10)
Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV - Continued

Determination of Contract Demand for Rate III and Rate IV

Initiation of service under Rate III or Rate IV requires the establishment of a Contract Demand for the account, expressed in kilowatts. Contract Demand for the purpose of these rates means the PASNY Customer’s maximum potential demand. Where both high tension and low tension service are delivered to a PASNY Customer’s account, separate Contract Demands will be established for the low tension service, for the high tension service below 138,000 volts, and for the high tension service at 138,000 volts. PASNY may establish the PASNY Customer’s Contract Demand at the time of application for service under Rate III or Rate IV or at any time thereafter. If the Contract Demand is not stated in the application, the Contract Demand will be established by the Company. At any time, if the monthly maximum demand exceeds the Contract Demand, the monthly maximum demand will become the Contract Demand in that month and thereafter.

(1) Where PASNY Establishes the Contract Demand

If PASNY chooses the PASNY Customer’s Contract Demand, it may revise the Contract Demand downward once every 12 months. The new Contract Demand cannot be set at a level that is lower than the highest demand reached in the past 12 months unless PASNY demonstrates, based on an engineering analysis submitted to the Company, that electricity-consuming equipment is removed or abandoned in place or that permanent energy-efficiency or load-limiting equipment is installed. No retroactive adjustment will be made for a reduction in the Contract Demand level. PASNY may revise the PASNY Customer’s Contract Demand upward at any time.

If a PASNY Customer’s monthly maximum demand exceeds the Contract Demand by more than 10 percent, a surcharge will apply to the current monthly bill for the portion of the demand that is in excess of the Contract Demand. To determine the surcharge, the monthly Transmission Contract Demand Charge and the Distribution Contract Demand Charge will each be calculated for the excess demand, and the charges will be summed. The surcharge will apply as follows:

(a) If the monthly maximum demand exceeds the Contract Demand by more than 10 percent but less than 20 percent, the surcharge will be equal to 12 times the sum of the monthly Contract Demand charges for the excess demand, provided, however, that the surcharge will be waived upon the first incidence of such excess demand in the first year of operation if the bill has a “to” date on or before January 31, 2007; and

(b) If the monthly maximum demand exceeds the Contract Demand by 20 percent or more, the surcharge will be equal to 24 times the sum of the monthly Contract Demand charges for the excess demand.
Determination of Contract Demand for Rate III and Rate IV - Continued

(2) Where the Company Establishes the Contract Demand

The Company will determine, and may thereafter re-determine, the PASNY Customer’s Contract Demand if one is not established by PASNY. Upon receipt of the determination of Contract Demand from the Company, PASNY may instead elect to establish the PASNY Customer’s Contract Demand, subject to the surcharge and other provisions established above. Where PASNY accepts a Company-set Contract Demand, no penalties will apply if that Contract Demand is exceeded. The principles that the Company will use to establish Contract Demand are described in Common Provision (C)(2) of Service Classification No. 14-RA of the Company’s Schedule for Electricity.
Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV - Continued

Minimum Monthly Charge

A Minimum Monthly Charge is applicable to all PASNY Customers who receive service under the Demand Charge specified under Rate I or II, except for PASNY Customers who receive service under Rider Y of the Company’s Schedule for Electricity or under Special Provision No. 16 of this Rate Schedule.

1. Each month, the Company will determine for each PASNY Customer billed under Rate I or Rate II:
   a. the monthly pure base revenue, and
   b. the Minimum Monthly Charge.

   "Monthly pure base revenue" as defined hereunder is equal to the PASNY Customer's Demand Charge excluding reactive power demand charges, without reference to the Minimum Monthly Charge, and exclusive of any kilowatt charges applicable under Special Provision Adjustments and of the "Increase in Rates and Charges."

   "Minimum Monthly Charge" as defined hereunder is equal to the PASNY Customer's contract demand multiplied by 39 percent of the delivery service demand charge applicable to such Customer under the PASNY Customer's applicable rate.

2. For any month in which the Minimum Monthly Charge exceeds the monthly pure base revenue, the Minimum Monthly Charge will be billed.

3. Where the Minimum Monthly Charge is billed, the PASNY Customer's Demand Charge will be equal to the Minimum Monthly Charge plus reactive power demand charges, and any kilowatt charges applicable under Special Provision Adjustments. All charges will be increased by the applicable "Increase in Rates and Charges."

(Delivery Service Classification - General - Continued on Leaf No. 11)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV -Continued

Metering Services

A PASNY Customer served under Rate II or Rate IV of this Rate Schedule may own the meter(s), as described in General Information Section III-8 of the Schedule for Electricity, provided that all electric meters for the PASNY Customer’s account are owned by the PASNY Customer.

Where service is taken under this Rate Schedule and the registered demand was 50 kW or greater for two consecutive months during the most recent twelve months, the PASNY Customer may obtain competitive metering services, as described in General Information Section III-8 of the Schedule for Electricity provided that competitive metering services for the selected function(s) are obtained for all electric meters on the PASNY Customer’s account.

PASNY will receive Metering Credits, per month, for a PASNY Customer who owns the meter(s) or obtains competitive metering services, as follows:

a) Meter Ownership:

$40.12 if a Rate II or Rate IV PASNY Customer owns the meter(s);
$ 8.24 if a Meter Service Provider provides the meter(s) for a PASNY Customer served under Rate I or Rate III; and
$40.12 if a Meter Service Provider provides the meter(s) for a PASNY Customer served under Rate II or Rate IV.

b) Meter Services:

$ 5.24 if a Meter Service Provider provides meter services for a PASNY Customer served under Rate I or Rate III; and
$19.46 if a Meter Service Provider provides meter services for a PASNY Customer served under Rate II or Rate IV.

c) Meter Data Services:

$ 4.42 if a Meter Data Service Provider provides meter data services for a PASNY Customer served under Rate I or Rate III; and
$11.69 if a Meter Data Service Provider provides meter data services for a PASNY Customer served under Rate II or Rate IV.

(Delivery Service Classification - General - Continued on Leaf No. 11)
Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV - Continued

Reactive Power Demand Charge

(1) The Reactive Power Demand Charge is applicable to service billed under Rate I, II, III or IV for the following PASNY Customers, provided the metering has the capability of measuring and recording Var:

(a) Existing PASNY Customers:

(i) PASNY Customers as of October 1, 2010, if the PASNY Customer’s maximum demand both (a) equals or exceeds 1,000 kW in any two months during the annual period ending September 30, 2009, and (b) exceeds 300 kW in any month during the annual period ending September 30, 2010,

beginning with the later of (A) the PASNY Customer’s first bill that is issued with a “from” date on or after January 1, 2011, or (B) the PASNY Customer’s first bill that is issued with a “from” date six months after the date that kVar interval data is first made available via the Internet, subject to paragraphs (2) and (3) below;

(ii) PASNY Customers as of October 1, 2011, if the Customer is not already subject to the Reactive Power Demand Charge and the PASNY Customer’s maximum demand both (a) equals or exceeds 500 kW in any two months during the annual period ending September 30, 2010, and (b) exceeds 300 kW in any month during the annual period ending September 30, 2011,

beginning with the later of (A) the PASNY Customer’s first bill that is issued with a “from” date on or after October 1, 2011, or (B) the PASNY Customer’s first bill that is issued with a “from” date twelve months after the date that kVar interval data is first made available via the Internet, subject to paragraphs (2) and (3) below;

(iii) PASNY Customers as of October 1, 2012, and each October 1 thereafter, if the PASNY Customer is not already subject to the Reactive Power Demand Charge and the PASNY Customer’s maximum demand both (a) equals or exceeds 500 kW in any two months during the annual period ending September 30 of the preceding year and (b) exceeds 300 kW in any month during the annual period ending September 30 of the current year,

beginning with the later of (A) the PASNY Customer’s first bill that is issued with a “from” date on or after October 1 of the current year or (B) the PASNY Customer’s first bill that is issued with a “from” date six months after the date that kVar interval data is first made available via the Internet, subject to paragraphs (2) and (3) below;

(b) New PASNY Customers, beginning with the PASNY Customer’s first bill for service, if the maximum demand during the first year of service is expected in the Company’s estimate to equal or exceed:

(i) 1,000 kW in any two months commencing between October 1, 2010 and September 30, 2011; or

(ii) 500 kW in any two months commencing on or after October 1, 2011;

(c) PASNY Customers who are successors of Customers referred to in subparagraphs (a) and (b) above, beginning with the successor Customer’s first bill for service, unless the maximum demand in the Company’s estimate is not expected to exceed 300 kW in any month during the first year of service;

(Delivery Service Classification – General – Continued on Leaf No. 10-E)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV - Continued

Reactive Power Demand Charge

(1) – Continued

(d) PASNY Customers with induction-generation equipment who would not otherwise be subject to the Reactive Power Demand Charge pursuant to subparagraphs (a) through (c) above:

(i) beginning with bills having a “from” date on or after October 1, 2010, if the equipment has a nameplate rating equal to or greater than 1,000 kW; and
(ii) beginning with bills having a “from” date on or after October 1, 2011, if the equipment has a nameplate rating equal to or greater than 500 kW; and

(e) Any PASNY Customer with induction-generation equipment not covered under subparagraphs (a) through (d), beginning with the first bill for service. The kVar requirements of the equipment will be determined from the nameplate rating of the Customer's generating equipment or from the design specifications of the manufacturer of the generating equipment. The kVar requirements of the Customer's generating equipment will be reduced by the kVar rating of any power factor corrective equipment installed by the Customer.

(2) Reactive Power Demand Charges pursuant to paragraph (1)(a)(i) above will commence no later than the PASNY Customer’s first bill that is issued with a “from” date on or after: (A) April 1, 2011, for PASNY Customers who are billed under Rate I or Rate III; and (A) July 1, 2014, for PASNY Customers who are billed under Rate II or Rate IV. Reactive Power Demand Charges pursuant to paragraph (1)(a)(ii) will commence no later than the PASNY Customer’s first bill that is issued with a “from” date on or after October 1, 2012. Reactive Power Demand Charges pursuant to paragraph (1)(a)(iii) will commence no later than the PASNY Customer’s first bill issued with a “from” date on or after October 1 of the following year.

(3) If the Company is advised by the telecommunications carrier that access was denied to make the communications service operational or if the Company was unable to install a Var meter because the Company was denied access to the Customer’s premises, billing will commence the later of: (A) the PASNY Customer’s first bill that is issued with a “from” date on or after January 1, 2011, if the PASNY Customer is subject to Reactive Power Demand Charges pursuant to (1)(a)(i), or October 1 of the applicable year if the PASNY Customer is subject to Reactive Power Demand Charges pursuant to paragraph (1)(a)(ii) or (1)(a)(iii); or (B) the PASNY Customer’s first bill issued with a “from” date six months after the Company was notified by the telecommunications carrier that access was denied or six months after the Company was denied access to install the Var meter, as applicable.

Date of Issue: September 29, 2010  Date Effective: October 1, 2010

Issued in compliance with order in Case 08-E-0751 dated September 16, 2010

Issued by Robert N. Hoglund, Senior Vice President and Chief Financial Officer, 4 Irving Place, NY, NY 10003
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Common Provisions Applicable to Rate I, Rate II, Rate III, and Rate IV - Continued

Reactive Power Demand Charge - Continued

(4) Charge per kVar

$1.10 per kVar applicable to PASNY Customers specified in (1)(a), (b), (c), or (d) above for billable reactive power demand. Billable reactive power demand, in kVar, shall be equal to the kVar at the time of the kW maximum demand (as defined in General Rule III-11(D)) during the billing period (all hours, all days) less one-third of such kW maximum demand; provided, however, that, if this difference is less than zero, the billable reactive power demand shall be zero. If the same kW maximum demand occurs two or more times during the billing period, the reactive power demand will be determined at the time of the first kW maximum demand occurrence.

If the Company restricts an existing PASNY Customer with synchronous generation from utilizing Customer load power factor correction through the Generator's controls, the Customer will not be subject to the above charge until such time that the Company removes this restriction.

$0.43 per kVar applicable to PASNY Customers specified in (1)(e) above for the kVar requirements of the induction-generation equipment

(5) A PASNY Customer subject to the Reactive Power Demand Charge pursuant to paragraph (1)(a), (b), or (c) above will no longer be subject to the Reactive Power Demand Charge commencing in the month following 12 consecutive months in which the maximum demand does not exceed 300 kW.

(6) After the installation of telecommunications service by the telecommunications carrier, the Company will make available to a Customer its kVar and kW interval data via the Internet. Existing Customers subject to the Reactive Power Demand Charge in October 2011 pursuant to paragraph (1)(a)(ii) above will generally be provided access to daily kW and kVar interval data during each of the twelve months in advance of being subject to the Reactive Power Demand Charge. Existing Customers subject to the Reactive Power Demand Charge in January 2011, October 2012, and each October thereafter pursuant to paragraphs (1)(a)(i) and (1)(a)(iii) above will generally be provided access to daily kW and kVar interval data during each of the six months in advance of being subject to the Reactive Power Demand Charge. Customer access to daily kW and kVar interval data via the Internet will generally be provided on a one-day lag, subject to the Company resolving telecommunications issues that may arise from time to time.

(Delivery Service Classification - General - Continued on Leaf No. 11)
General Provisions

(A) The delivery of power and energy will only be furnished directly to a PASNY Customer except as hereinafter provided, or agreed to in writing by PASNY and the Company. Power and energy may only be remetered (or submetered) or resold, assigned, measured, or otherwise disposed of to another or others:

(1) under Rider G of the Company's Schedule for Electricity; or

(2) as provided under Special Provisions 4. (A) and 15. (A) (6) of this Rate Schedule. A PASNY Customer may, except as otherwise prohibited or limited in General Provision (B) or Special Provision 15. (A) (6) of this Rate Schedule, redistribute or furnish power and energy for the use of its tenants or occupants in the building or premises at which the PASNY Customer is supplied with power and energy. Nothing in this Schedule is intended to be inconsistent with the provisions of Public Authorities Law, § 1005 with regard to eligibility for and regulation of electric service redistributed or submetered by PASNY's Customers in the Company's service territory.

(B) The Company will not deliver power and energy to any PASNY Customer, for the purpose of redistributing such power and energy in residential buildings in which the internal wiring has not been installed prior to January 1, 1977, except upon a waiver of this provision by the Public Service Commission.

(C) Where both high tension and low tension power and energy are delivered to a PASNY Customer under Rate I, the high tension power and energy will be billed at the high tension rate and the low tension power and energy will be billed at the low tension rate. For Rate I, where the PASNY Customer's demand is determined on the basis of coincident maximum demand, the number of kilowatts of high tension demand, for billing purposes, will be determined by applying to the coincident maximum demand the ratio that the high tension non-coincident maximum demand bears to the sum of the high tension and the low tension non-coincident maximum demands. The number of kilowatts of low tension demand, for billing purposes, shall be equal to the difference between the number of kilowatts of high tension demand, determined as herein provided, and the coincident maximum demand. Where both high tension and low tension service are delivered to a PASNY Customer under Rate IV, the low tension service will be billed at the low tension rate, the high tension service for voltages below 138,000 volts will be billed at the rate for high tension service below 138 kV, and the high tension service at 138,000 volts will be billed at the rate for high tension service at 138 kV. Billing will be permitted on a coincident demand basis for combined high tension service at 138,000 volts and high tension service below 138,000 volts under Rate IV, and for combined high tension service and low tension service under any Rate, only if the Customer was billed for such service on a coincident demand basis prior to February 1, 2004.

(D) Where a PASNY Customer's account under Rate II is metered with multiple meters and where the registration of some of the meters is not on a time-of-day basis, the registrations of such meters will be billed on the time-of-day characteristics indicated by the time-of-day meter. The Company will undertake to install time-of-day meters for individually metered locations at which the demand is at least 900 kw. If the conjunctionally or plurality-metered PASNY Customer so elects, however, the electricity supplied through the non-time-of-day meters will be billed as one separate account under Rate I.
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

General Provisions - Continued

(E) Adjustments to bills rendered for prior periods shall be calculated at the delivery service rate in effect during the period covered by the adjustment irrespective of the rate charged by PASNY to its Customers for the delivery service component of the service.

(F) The foregoing rates and charges shall apply to service rendered hereunder on and after the effective date hereof. Where a bill includes periods before the effective date and after the effective date, the rates and charges applicable will be prorated based on the number of days of service rendered before the effective date and on and after the effective date related to the total number of days in the billing period.

(G) The delivery of power and energy to PASNY Customers for the operation of interior fire alarms or signal systems shall be subject to the following conditions:

(1) The PASNY Customer shall provide all wiring necessary to connect the fire alarm or signal system with the Company's special service cutout, the location of latter being determined by the Company.

(2) No lamps or other energy consuming devices of any character shall be connected to the fire alarm or signal system; nor shall the amount of energy taken by the fire alarm or signal system exceed the maximum number of amperes, or fraction of an ampere, per gong or signal circuit, specified herein.

(H) The Company may require PASNY or any PASNY Customer to furnish to the Company a written request for service in a form suitable to the Company.

(I) [RESERVED FOR FUTURE USE]

(J) For additional rules, regulations, terms and conditions under which power and energy will be delivered, see Leaf Nos. 6 to 191, inclusive, and Leaf Nos. 200-A to 200-C of the Company's Schedule for Electricity.

(Delivery Service Classification - General - Continued on Leaf No. 13)
Special Provisions

The Special Provisions under the Service Classifications of the Company’s Schedule for Electricity listed below, as modified, are applicable to PASNY Customers as if they were taking electric service from the Company under an appropriate electric Service Classification of the Company’s Schedule for Electricity or the Company’s Schedule for Retail Access:

2. If the PASNY Customer Would Receive Service Under Service Classification No. 2 of the Company’s Schedule for Electricity:

   (A) The following Riders of the Company’s Schedule for Electricity may be applied to the delivery of power and energy under this Service Classification: B, C, D, and G.

   (B) Backfeed of power into the Company’s system will not be permitted under Rates III and IV.
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions

3. If the PASNY Customer Would Receive Service Under Former Service Classification No. 3, "Breakdown, Reserve and Auxiliary" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity, or Former Service Classification Nos. 3 or 10 of the Company's Schedule for Electricity, or Service Classification No. 14-RA, “Standby Service” of the Company's Schedule for Retail Access

Definitions Applicable to this Special Provision:

- “Otherwise Applicable Rate” means the rate under which the PASNY Customer would otherwise be billed (that is, Rate I or Rate II, as applicable) if the PASNY Customer did not have a private generating facility on the premises or was not a wholesale generator.

- “Standby Service rates” mean the rates of Rate III or Rate IV, as applicable to the PASNY Customer.

(A) A PASNY Customer who has private generating facilities or wholesale generating facilities on the premises and uses the Company’s standby service will be served under Rate III or Rate IV, as applicable, except as provided under Special Provisions 3 (B), 3 (F), and 3 (G). Such PASNY Customer served under Rate III or Rate IV may segregate any portion of its total requirements at the premises so that such portion shall be served under another and appropriate rate for delivery of power and energy as specified under Rate I and Rate II, except as otherwise provided under General Rule III-13 (D) of the Company’s Schedule for Electricity relating to segregated service or except as prohibited under the section of this Rate Schedule entitled, “Charges for Direct-Current Service.”

(B) The following types of PASNY Customers who have on-site generating facilities or wholesale generating facilities will be billed under the Otherwise Applicable Rate instead of Standby Service rates:

(1) PASNY Customers who have on-site generation equipment having a total nameplate rating equal to no more than 15 percent of the maximum potential demand served from all sources;
(2) PASNY Customers who would otherwise receive service under the Energy Charge of Rate I if they did not have on-site generation equipment; and
(3) PASNY Customers with a Contract Demand of less than 50 kW, provided, however, that PASNY may elect billing under Standby Service rates for PASNY Customers who are not eligible for service under subparagraphs (1) or (2), by providing advance written notice to the Company.

The “Interconnection Charge” and “Reactive Power Demand Charge” (described in General Provision I) under Rate III and Rate IV shall continue to apply to PASNY Customers billed under the Otherwise Applicable Rate.
3. If the PASNY Customer Would Receive Service Under Former Service Classification No. 3, "Breakdown, Reserve and Auxiliary" of the Company’s Schedule for Electricity Service, PSC No. 8 - Electricity, or Former Service Classification Nos. 3 or 10 of the Company's Schedule for Electricity, or Service Classification No. 14-RA, “Standby Service” of the Company’s Schedule for Retail Access - Continued

(B) - Continued

If PASNY elects billing under Standby Service rates for a PASNY Customer with a Contract Demand of less than 50 kW, billing under Standby Service rates will commence with the first full billing period for which interval metering data is available subsequent to the Company’s receipt of notice. PASNY Customers who are billed under Standby Service rates will be ineligible for any of the rate phase-ins that may be available under Special Provisions 3 (F) and (G) to Existing PASNY Customers and PASNY Customers with Designated Technologies. PASNY Customers with a Contract Demand of less than 50 kW who are billed under Standby Service rates will be ineligible for billing under the Otherwise Applicable Rate for one year subsequent to commencing billing under Standby Service rates. Should PASNY elect to have billing under Standby Service rates discontinued for a PASNY Customer, such PASNY Customer will be ineligible for billing under Standby Service Rates for one year subsequent to commencing billing under the Otherwise Applicable Rate.

(C) Backfeed of power into the Company’s system will not be permitted under Rates III and IV.

(D) The following provisions are applicable to PASNY Customers with private generation facilities on the premises not connected directly to transmission facilities (that is, delivery facilities other than distribution facilities) that (i) commenced operation prior to February 1, 2000; or (ii) commenced operation between February 1, 2000 and December 30, 2004, and either have a total nameplate rating between 301 kVA and 2 MW or are connected in parallel with the network system; or (iii) have a total nameplate rating greater than 2 MW and are connected in parallel with the distribution system:

(1) Metering equipment (except meters and metering transformers) and interrupting equipment, as specified by the Company will be installed and maintained by the PASNY Customer in accordance with Company specifications. Where such facilities are located on the Company’s property, they will be installed and maintained by the Company at the PASNY Customer’s expense.

(2) All requests for parallel operation will be reviewed on a case-by-case basis. Parallel operation will be permitted only if, and to the extent, such operation does not jeopardize the adequacy or reliability of service to the Company's other Customers. Failure of the PASNY Customer at any time to comply with the terms and conditions specified by the Company in order to permit parallel operation will result in the PASNY Customer forfeiting its right to operate in parallel with the Company's system. In the event a PASNY Customer forfeits its right to operate in parallel with the Company's system, the PASNY Customer will be required to bear the reasonable expense associated with disconnecting the PASNY Customer's private plant from the Company's system. Where there is a dispute between the PASNY Customer and the Company with respect to the standards and charges for interconnection the PASNY Customer may apply to the Public Service Commission for a ruling in the matter.

(Delivery Service Classification - General - Continued on Leaf No. 13-C)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

3. If the PASNY Customer Would Receive Service Under Former Service Classification No. 3, "Breakdown, Reserve and Auxiliary" of the Company’s Schedule for Electricity Service, PSC No. 8 - Electricity, or Former Service Classification Nos. 3 or 10 of the Company’s Schedule for Electricity, or Service Classification No. 14-RA, “Standby Service” of the Company’s Schedule for Retail Access - Continued

(D) – Continued

(3) The PASNY Customer’s generating plant and the Company's system may be operated in parallel as required subject to the PASNY Customer's compliance with the Company's design requirements and operating rules and procedures. To accomplish such parallel operation in a safe, economical, and efficient manner, operating instructions shall be prepared by the Company and adhered to by the authorized operating representatives of the PASNY Customer. Such operating instructions shall include, among other things, procedures for:

(a) Maintaining proper voltage and frequency and for putting into effect voltage changes as required from time to time;
(b) Phasing and synchronizing the PASNY Customer's generating plant and the Company's system;
(c) Taking feeders out of service for maintenance or during emergency conditions and restoring them to service thereafter; and
(d) Controlling the flow of real power and reactive power between the PASNY Customer's generating plant and the Company's system.

Where there is to be parallel operation, the PASNY Customer's authorized operating representatives shall receive the necessary training from the Company's authorized operating representatives in the Company's operating procedures before parallel operation is begun.

(4) Where the PASNY Customer operates in parallel, the PASNY Customer shall provide and maintain on its premises all necessary facilities, as specified by the Company, for connecting the Company's feeder cables to the PASNY Customer's generating station, including transformers, circuit breakers and all equipment and facilities necessary and required for synchronizing the PASNY Customer's generating plant with the Company's system and for controlling the flow of energy and wattless current and for protection of the interconnected systems. Such required facilities may include a communication system between the PASNY Customer's generating plant and the Company's system or district operator consisting of transmitting equipment and a communications path such as a leased telephone line or lines connecting these points to provide transfer trip of the PASNY Customer's tie. Voice communication and telemetering of loads shall be provided at the PASNY Customer's expense.

(5) The PASNY Customer is solely responsible for providing adequate protection for PASNY Customer's facilities operating in parallel with the Company's system. Except where caused by the Company's negligence, the Company will not be liable for, and the PASNY Customer shall indemnify and hold the Company harmless for damages to the property of the Company or others or injuries to persons arising out of any occurrence related to the PASNY Customer's ownership, use or operation of the PASNY Customer's facilities.

(Delivery Service Classification - General - Continued on Leaf No. 14)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

3. If the PASNY Customer Would Receive Service Under Former Service Classification No. 3, "Breakdown, Reserve and Auxiliary" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity, or Former Service Classification Nos. 3 or 10 of the Company's Schedule for Electricity, or Service Classification No. 14-RA, “Standby Service” of the Company’s Schedule for Retail Access - Continued

(D) - Continued

(6) When a PASNY Customer who is a wholesale generator takes service through the same bus bar that it uses to export power to the wholesale grid, the station power when the generator is operating will be treated as if the generator were self-supplying from the load side of the meter.

(E) The following provisions are applicable to PASNY Customers with private generation facilities on the premises that (i) commenced operation between February 1, 2000 and December 30, 2004, have a total nameplate rating of 300 kVA or less, and are connected in parallel with the radial system; or (ii) commenced operation after December 30, 2004, have a total nameplate rating of 2 MW or less, and are connected in parallel with the distribution system:

(1) The New York State Standardized Interconnection Requirements and Application Process (the “SIR”), as adopted by the Public Service Commission and as may be amended from time to time by the Commission, is set out in Addendum-SIR to this Rate Schedule. PASNY Customers’ applications for service for generation facilities with a total nameplate rating of up to 2 MW, and PASNY Customers’ applications for service for single phase generation facilities with a total nameplate rating of 15 kW or less, will be made using the applications set forth in Addendum-SIR. Applications for service for generation facilities with a total nameplate rating greater than 15 kW must be accompanied by a non-refundable $350 application fee.

(2) Assuming the conditions of the SIR are met, the Company and the PASNY Customer will execute the New York State Standardized Contract set forth in Addendum-SIR

(3) The installation and parallel operation of generation facilities will be in accordance with the SIR, which is set out in Addendum-SIR to the Full Service Schedule.

(4) Parallel operation of synchronous generators with the secondary network system will be permitted only if, and to the extent, such operation does not jeopardize the adequacy or reliability of service to the Company’s other Customers.

(Delivery Service Classification - General - Continued on Leaf No. 15)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

3. If the PASNY Customer Would Receive Service Under Former Service Classification No. 3, "Breakdown, Reserve and Auxiliary" of the Company's Schedule for Electricity Service, PSC No. 8 -Electricity, or Service Classification Nos. 3 or 10 of the Company's Schedule for Electricity, or Service Classification No. 14-RA, “Standby Service” of the Company’s Schedule for Retail Access - Continued

(F) “PASNY Customer With Designated Technologies” means a PASNY Customer who meets both of the following criteria:

(a) has an on-site generation facility that: (i) exclusively uses one or more of the following technologies and/or fuels: fuel cells, wind, solar thermal, photovoltaics, sustainably-managed biomass, tidal, geothermal, or methane waste, or (ii) uses small, efficient types of combined heat and power generation that do not exceed 1 MW of capacity in aggregate and meets eligibility criteria that were approved in the order of the New York State Public Service Commission, dated January 23, 2004, in Case 02-E-0781; and

(b) has a Contract Demand of 50 kW or greater and has on-site generation equipment having a total nameplate rating equal to more than 15 percent of the maximum potential demand from all sources.

A PASNY Customer who commences operation of its on-site generation facility between July 29, 2003 and May 31, 2015, and meets the definition of both PASNY Customer With Designated Technologies as defined in this Special Provision and Existing PASNY Customer as defined in Special Provision 3(G), will be subject to this Special Provision, rather than Special Provision 3(G).

PASNY Customers With Designated Technologies who commence operation of their on-site generation facility between July 29, 2003 and May 31, 2015, will be billed under the Otherwise Applicable Rate unless PASNY makes a one-time election in writing no less than 30 days before the PASNY Customer commences operation of the on-site generation facility for billing either to be issued at full Standby Service rates or, if operation of the generation facility commences before January 31, 2011, to be phased-in to Standby Service rates as described below. The “Interconnection Charge” and “Reactive Power Demand Charge” applicable under Rate III and Rate IV shall continue to apply to PASNY Customers billed the Otherwise Applicable Rate.
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

3. If the PASNY Customer Would Receive Service Under Former Service Classification No. 3, "Breakdown, Reserve and Auxiliary" of the Company's Schedule for Electricity Service, PSC No. 8-Electricity, or Service Classification Nos. 3 or 10 of the Company's Schedule for Electricity, or Service Classification No. 14-RA, “Standby Service” of the Company’s Schedule for Retail Access - Continued

(F) – Continued

For PASNY Customers subject to the phase-in of Standby Service rates, bills will be issued as follows:

Commencing with the first billing period beginning on or after February 1, 2004, and ending with the billing period beginning no later than January 31, 2008, bills will be calculated at the Otherwise Applicable Rate.

Commencing with the first billing period beginning on or after February 1, 2008, and ending with the billing period beginning no later than January 31, 2009, bills will be calculated at the Otherwise Applicable Rate plus 25% of the difference, if greater than zero, between bills calculated at Standby Service rates and at the Otherwise Applicable Rate.

Commencing with the first billing period beginning on or after February 1, 2009, and ending with the billing period beginning no later than January 31, 2010, bills will be calculated at the Otherwise Applicable Rate plus 50% of the difference, if greater than zero, between bills calculated at Standby Service rates and at the Otherwise Applicable Rate.

Commencing with the first billing period beginning on or after February 1, 2010, and ending with the billing period beginning no later than January 31, 2011, bills will be calculated at the Otherwise Applicable Rate plus 75% of the difference, if greater than zero, between bills calculated at Standby Service rates and at the Otherwise Applicable Rate.

Commencing with the first billing period beginning on or after February 1, 2011, bills will be calculated entirely at Standby Service rates.

(Delivery Service Classification - General - Continued on Leaf No. 15-B)
Special Provisions - Continued

3. If the PASNY Customer Would Receive Service Under Former Service Classification No. 3, "Breakdown, Reserve and Auxiliary" of the Company's Schedule for Electricity Service, PSC No. 8 -Electricity, or Service Classification Nos. 3 or 10 of the Company's Schedule for Electricity, or Service Classification No. 14-RA, “Standby Service” of the Company’s Schedule for Retail Access - Continued

(G) “Existing PASNY Customer” means a PASNY Customer with a Contract Demand of 50 kW or greater who has on-site generation equipment having a total nameplate rating equal to more than 15 percent of the maximum potential demand from all sources and who meets one of the following criteria:

(a) received service under Rate I or Rate II of this Rate Schedule for breakdown, reserve and auxiliary purposes, including a PASNY Customer which was a Qualifying Facility under Part 292 of Title 18 of the Code of Federal Regulations, as of January 31, 2003; or

(b) commenced construction of, or executed binding financial commitments for construction of, an on-site generation facility as of January 31, 2003; or

(c) is named in the Joint Proposal, dated March 11, 2003, in Case 02-E-0781 as a recipient of a New York State Energy Research and Development Authority (“NYSERDA”) feasibility study award and commences operation of the on-site generation facility no later than May 31, 2015; or

(d) is named in the Joint Proposal, dated March 11, 2003, in Case 02-E-0781 as a recipient of a NYSERDA on-site generation project award.

Existing PASNY Customers will be subject to the phase-in of Standby Service rates described below, unless PASNY makes a one-time election in writing by the later of March 1, 2004 or 30 days before the PASNY Customer commences operation of the on-site generation facility for the PASNY Customer to be billed at full Standby Service rates. If PASNY elects billing at full Standby Service rates, billing will be issued under such rates commencing with the first full billing period for which interval metering data is available subsequent to the Company’s receipt of PASNY’s election notice.

For PASNY Customers subject to the phase-in of Standby Service rates, bills will be issued as follows:

Commencing with the first billing period beginning on or after February 1, 2004, and ending with the billing period beginning no later than January 31, 2008, bills will be calculated at the Otherwise Applicable Rate.

Commencing with the first billing period beginning on or after February 1, 2008, and ending with the billing period beginning no later than January 31, 2009, bills will be calculated at the Otherwise Applicable Rate plus 25% of the difference, if greater than zero, between bills calculated at Standby Service rates and at the Otherwise Applicable Rate.

Commencing with the first billing period beginning on or after February 1, 2009, and ending with the billing period beginning no later than January 31, 2010, bills will be calculated at the Otherwise Applicable Rate plus 50% of the difference, if greater than zero, between bills calculated at Standby Service rates and at the Otherwise Applicable Rate.

Commencing with the first billing period beginning on or after February 1, 2010, and ending with the billing period beginning no later than January 31, 2011, bills will be calculated at the Otherwise Applicable Rate plus 75% of the difference, if greater than zero, between bills calculated at Standby Service rates and at the Otherwise Applicable Rate.

Commencing with the first billing period beginning on or after February 1, 2011, bills will be calculated entirely at Standby Service rates.

(Delivery Service Classification - General - Continued on Leaf No. 15-C)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

3. If the PASNY Customer Would Receive Service Under Former Service Classification No. 3, "Breakdown, Reserve and Auxiliary" of the Company's Schedule for Electricity Service, PSC No. 8 -Electricity, or Service Classification Nos. 3 or 10 of the Company's Schedule for Electricity, or Service Classification No. 14-RA, “Standby Service” of the Company’s Schedule for Retail Access – Continued

(H) The following Rider of the Company's Schedule for Electricity may be applied to the delivery of power and energy under the foregoing Service Classifications: A.

(I) PASNY Customers who request service or increased service on and after May 1, 2002 at a load density that exceeds the higher of (i) the Standard Load Density for the type of premises for which service is requested or (ii) the load density that the Company, after consultation with the PASNY Customer, concludes is required for safe and adequate service, will be served under Rider Y and will be subject to the provisions of that Rider, including the Customer Facility Cost Contribution and Financial Security. The Customer Facility Cost Contribution required of PASNY Customers taking service for standby service purposes will be decreased by the amount of the capital cost portion of the Interconnection Charge that was or would be incurred for facilities installed under Rider Y. The demand charges applicable to service under Rider Y are as described in Special Provision 9 for a PASNY Customer would otherwise receive service under Service Classification No. 9 if it did not have generation on its premises. The Rider Y demand charges are applicable to service under Rate III or Rate IV of this Rate Schedule only if billing is issued under Rate I or Rate II.
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

[RESERVED FOR FUTURE USE]

(Delivery Service Classification - General - Continued on Leaf No. 16)
Special Provisions - Continued

5. If the PASNY Customer Would Receive Service Under Service Classification No. 5 of the Company's Schedule for Electricity:

(A) Power and energy which is to be regularly used as the normal supply for electric traction purposes of railroad or rapid transit systems (including systems owned or operated by a governmental or municipal agency), and for miscellaneous uses in connection with the operation of a railroad or rapid transit system will be delivered under the provisions of this delivery service rate schedule except as may be otherwise provided in a written agreement between the Company and the PASNY Customer.

No service shall be used as an alternate to another source of supply, as a reserve or part-time supply, or as an emergency supply. However, the PASNY Customer may, for purposes of public safety, secure or provide an alternate source of supply, provided that such alternate supply shall be used only in the event, and for the duration, of a failure of the Company's supply, or during use for necessary testing purposes after notice to the Company.

Where the Company delivers power and energy to substations adjacent to substations connected to the same traction distribution system which are supplied from another source of supply, the PASNY Customer shall so operate its electric facilities that there shall be no substitution, in whole or in part, of electricity from such other source in place of the Company's service, and the PASNY Customer shall operate its equipment and facilities supplied with service by the Company in substantially the same manner and on approximately the same schedule as similar adjacent equipment or facilities are supplied by the Customer's other source of supply, otherwise the rates and charges under Rates III and IV and Special Provision 3 shall apply.

All service used as an alternate for another source of supply shall be classified as use for standby service purposes, and shall be available only upon compliance with Special Provision 3.

Where high tension service is supplied under this Special Provision to substations for electric traction purposes of such railroad or rapid transit systems at various locations along the right of way, such service, together with low tension service used for substation auxiliaries only will be furnished under a single service agreement and the energy so supplied will be added and the separate maximum demands will be added on a non-coincident basis, except as provided in General Rule III-11 (L) of the Company's Schedule for Electricity and except to the extent that the coincident maximum demand of such a group of stations may be determined by comparison of the registrations of recording-type demand meters installed at the respective locations, but only one demand meter registration per location shall be included in such comparison.

(Delivery Service Classification - General - Continued on Leaf No. 17)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

5. If the PASNY Customer Would Receive Service Under Service Classification No. 5 of the Company's Schedule for Electricity - Continued

   (B) The following Rider of the Company's Schedule for Electricity may be applied to the delivery of power and energy under this Service Classification: B.

6. If the PASNY Customer Would Receive Service Under Service Classification No. 6 of the Company's Schedule for Electricity, and former Service Classification No. 10, "Public Street Lighting For the City of New York" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity:

   (A) The following Special Provisions apply to the delivery of power and energy for public street lighting:

      (1) The electric energy delivered under this Special Provision for Westchester street lighting will be unmetered. The kwhr consumption shall be determined by the Company from the manufacturer's rated wattage and the total number of lamps and auxiliary equipment in operation, multiplied by the number of hours of operation for the month, subject to deduction of 3.5 percent as an allowance for any service outages.

      With respect to the electric energy delivered for street lighting in The City of New York, the billing demand per lamp for lamps burning continuously shall be the rated watts of the lamps plus the rated watts of auxiliary equipment required for the operation of such lamps. The billing demand per lamp for lamps burning alternatively or intermittently for traffic control and similar applications shall be the rated watts per lamp plus the rated watts of required auxiliary equipment multiplied by the percent, expressed to the nearest whole percent, of time such lamps are burning during the period the lamps are in operation. The results of this computation shall be expressed to the nearest watt. The kwhr consumption and the watts of billing demand shall be subject to deduction of 3.5 percent as an allowance for service outages except that if such outages occur as a result of abnormal operating conditions, which cause interruption of the supply of energy to a large number of lamps then the Company shall estimate such abnormal outages from the records and make deduction therefor, upon the approval thereof, by the City.

      The Company shall have the right from time to time to inspect and make tests of the City's equipment as installed or of samples thereof furnished by the City for the purpose of checking the rating and wattage of the lamps and auxiliary equipment and the hours of operation.

      (Delivery Service Classification - General - Continued on Leaf No. 18)
6. If the PASNY Customer Would Receive Service Under Service Classification No. 6 of the Company's Schedule for Electricity, and former Service Classification No. 10, "Public Street Lighting For the City of New York" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity - Continued

(A) The following Special Provisions apply to the delivery of power and energy for public street lighting - Continued

(1) - Continued

The number of hours of operation per month for lamps burning on a dusk to dawn schedule shall be as shown in the following tables:

<table>
<thead>
<tr>
<th>Month</th>
<th>Astronomical Time Switches</th>
<th>Light Sensitive Control Devices</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hours New York City</td>
<td>Hours Westchester</td>
</tr>
<tr>
<td>January</td>
<td>429</td>
<td>425</td>
</tr>
<tr>
<td>February</td>
<td>359</td>
<td>356</td>
</tr>
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<td>March</td>
<td>357</td>
<td>355</td>
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<td>April</td>
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<td>May</td>
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<td>282</td>
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<td>June</td>
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<td>July</td>
<td>256</td>
<td>272</td>
</tr>
<tr>
<td>August</td>
<td>286</td>
<td>302</td>
</tr>
<tr>
<td>September</td>
<td>323</td>
<td>330</td>
</tr>
<tr>
<td>October</td>
<td>379</td>
<td>380</td>
</tr>
<tr>
<td>November</td>
<td>405</td>
<td>402</td>
</tr>
<tr>
<td>December</td>
<td>445</td>
<td>434</td>
</tr>
<tr>
<td>Total</td>
<td>4,050</td>
<td>4,100</td>
</tr>
</tbody>
</table>

The hours of operation shown above are for a normal year. During the month of February in a leap year, Astronomical Time Switches operate for 371 hours; Light Sensitive Control Devices operate for 369 hours in New York City and 384 hours in Westchester County. In a leap year, Astronomical Time Switches operate for a total of 4,062 hours; Light Sensitive Control Devices operate for a total of 4,113 hours in New York City and 4,282 hours in Westchester County.

PASNY Customers shall notify the Company of the number of hours of operation per month for all traffic control and other lamps not burning on a dusk to dawn schedule. Effective March 19, 1983, lamps burning outside the dusk to dawn schedule will be billed at the "Energy Charge" set forth on Leaf No. 3 of this Tariff for the hours burned outside the schedule. The calculation of the billing will be as follows. The Company will report in writing to PASNY and

(Delivery Service Classification - General - Continued on Leaf No. 19)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

6. If the PASNY Customer Would Receive Service Under Service Classification No. 6 of the Company's Schedule for Electricity, and former Service Classification No. 10, "Public Street Lighting For the City of New York" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity - Continued

(A) The following Special Provisions apply to the delivery of power and energy for public street lighting - Continued

(1) - Continued
its street lighting Customers the lamps burning outside the dusk to dawn burning hours schedule. This report will indicate for each lamp the date, location and time the lamp was observed to be burning. Billing for these lamps will commence no later than the end of the first billing month ending at least 30 days following the report and will continue until written notice that a lamp has been repaired and has been received by the Company. The Company will determine the number of kilowatthours to be billed for the hours burned outside the dusk to dawn burning hours schedule in the following manner:

(a) The elapsed number of days will be the days between the day on which the Company reported that the lamp was burning during the daylight hours and the day on which the Company was notified that the repair was made (excluding the day on which the Company reported that the lamp was burning during daylight hours and the day on which the Company was notified that the repair was made), and the elapsed number of days will be multiplied by 24 to ascertain the total number of hours that the lamp burned. For lamps billed as "daylight burners" in the previous month's bill, the elapsed number of days will be calculated from the date of that bill until the end of the current billing month in the absence of receipt by the Company of written notice that the lamp has been repaired;

(b) The average number of burning hours of dusk to dawn operation will be determined by dividing the monthly burning hours contained in the above schedule of burning hours by the number of calendar days in the month, and multiplying the result of that division by the number of days developed in (a);

(c) The number of dusk to dawn burning hours developed in (b) will be subtracted from the number of hours developed in (a) to determine the number of daylight burning hours; and

(d) The number of daylight burning hours developed in (c) will be multiplied by the estimated wattage of the street lamp and the result divided by 1,000 to arrive at the number of kilowatthours for billing purposes.

(Delivery Service Classification - General - Continued on Leaf No. 20)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

6. If the PASNY Customer Would Receive Service Under Service Classification No. 6 of the Company's Schedule for Electricity, and former Service Classification No. 10, "Public Street Lighting For the City of New York" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity - Continued

(A) The following Special Provisions apply to the delivery of power and energy for public street lighting - Continued

(2) The respective quantities of lamps and auxiliary equipment in operation, the points of service termination at which controlled period service is supplied by the Company and the units of lighting equipment maintained or rented by the Company shall be determined upon the basis of the quantities in service on the 15th day of the calendar month for the purpose of computing the charges payable for such month.

(3) All incandescent lamps shall be tungsten filament, rated in initial lumens and wattage and designed for an average life of 3,000 hours, laboratory test, and shall conform to the standard in rating and efficiency as fixed in the latest specification of the Bureau of Standards of the U. S. Department of Commerce. Sodium vapor, mercury vapor and fluorescent lamps shall be equipped with suitable ballasts designed to correct the power factor of the lamp to at least 85% lagging, rated in initial lumens and wattage and designed, respectively, for an average life of 4,000 hours; 4,000, 6,000 and 12,000 hours; and 7,500 hours, laboratory test.

All lamps shall have indelibly etched thereon the name or trade-mark of the manufacturer, and the rating in lumens and watts or amperes for which the lamp is designed.

PASNY Customers will submit on request by the Company, the following rating and wattage data regarding the lamps and auxiliary equipment it proposes to use:

(a) Name and trade-mark of manufacturer and place of manufacture.

(b) For multiple lamps, the wattage, rated initial lumens and mean lumens in percent of average initial lumens and, where operated with a ballast, the power factor correction furnished by the ballast.

(c) For series lamps, the rated initial lumens, mean lumens in percent of average initial lumens, wattage and amperes and, where operated with a ballast, the power factor correction furnished by the ballast.

(d) For ballasts or auxiliary equipment used in conjunction with the above lamps, the manufacturer's name plate ratings.

(Delivery Service Classification - General - Continued on Leaf No. 21)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

6. If the PASNY Customer Would Receive Service Under Service Classification No. 6 of the Company's Schedule for Electricity, and former Service Classification No. 10, "Public Street Lighting For the City of New York" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity - Continued

(A) The following Special Provisions apply to the delivery of power and energy for public street lighting - Continued

(3) - Continued

The lamps must conform to the latest standards of large manufacturers of such lamps.

The Company shall have the right from time to time to inspect and make tests of the equipment as installed or of samples furnished by the PASNY Customer in connection with the delivery of electric energy hereunder.

(4) Additional lamps may be added or existing lamps may be discontinued by the PASNY Customer upon prior notice in writing to the Company.

(5) The Company shall install its service conduit and conductors from its street distribution system to the following points of service termination:

(a) At the base of a street lighting or traffic signal post, lamppost, parkway type wood post, standard wood post, located on the side of the roadway (as hereinafter defined) when served from the underground distribution system.

(b) At the top of a street lighting or traffic signal or similar post or at the pole plate of a bracket attached to the Company's line poles or to the PASNY Customer's poles located on the side of the roadway (as hereinafter defined) when served from the overhead distribution system.

(c) At a splicing chamber furnished and installed by the PASNY Customer at the side of a roadway (as hereinafter defined) or at a point or points mutually agreed upon for street lighting, traffic lighting and similar installations located on marginal streets and ways, parkways, expressways and thruways.

(Delivery Service Classification - General - Continued on Leaf No. 22)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

6. If the PASNY Customer Would Receive Service Under Service Classification No. 6 of the Company's Schedule for Electricity, and former Service Classification No. 10, "Public Street Lighting For the City of New York" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity - Continued

(A) The following Special Provisions apply to the delivery of power and energy for public street lighting - Continued

(5) The Company shall install its service conduit and conductors from its street distribution system to the following points of service termination - Continued

(d) At a splicing chamber or the grade level end of a standpipe, furnished and installed by the PASNY Customer on the side of the roadway (as hereinafter defined) for units on elevated railroad structures, elevated or depressed highways, bridges, grade separations, traffic interchanges or highway clover leaf intersections, buildings, or other structures.

(e) At a splicing chamber furnished and installed by the PASNY Customer adjacent to the roadway (as hereinafter defined) for lamps in parks, playgrounds, recreation areas or other similar PASNY Customer-owned areas.

(f) At weather head conduits installed by the City on top of lampposts located on the side of the roadway (as defined below) when served from the overhead distribution system.

For purposes of this Special Provision, the word "roadway" shall be deemed to mean that part of a public street, avenue, highway, or service road used for purposes of vehicular traffic, but shall not include parkways, expressways, thruways, and other limited access thoroughfares.

The Company will not extend its distribution system solely for street lighting purposes in any portion of a roadway where the abutting property on both sides of a roadway outside the limits of the street is owned by the PASNY Customer.

(6) The Company shall have the right to designate whether new lamps shall be multiple or series, and whether they shall be supplied with overhead or underground service. The Company reserves the right to change the type of service and equipment, or any portion thereof, at any location, at its own expense in connection with improvements to its distribution system.

Where underground service is now available, or shall be made available by the Company in streets approximately at grade, the PASNY Customer shall install the necessary street lighting equipment to enable the street lighting service to be delivered from such underground distribution system in accordance with Special Provision 6. (A) (5).

(Delivery Service Classification - General - Continued on Leaf No. 23)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions – Continued

6. If the PASNY Customer Would Receive Service Under Service Classification No. 6 of the Company’s Schedule for Electricity, and former Service Classification No. 10, "Public Street Lighting For the City of New York" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity - Continued

(A) The following Special Provisions apply to the delivery of power and energy for public street lighting - Continued

(7) In the interest of more efficient and economical service, the Company is gradually standardizing its operations and withdrawing from the business of furnishing or maintaining or renting street lighting equipment.

Under the "Facilities and Service Connection Charges" section of "Rate I", the Company will continue to maintain control equipment and control wiring for existing Company-owned multiple and series circuits and any new lighting units for which the Company designates the use of series service. For other lighting units, the PASNY Customer will furnish and install, and maintain the necessary control devices.

(8) The PASNY Customer shall cause its employees, contractors or agents performing work on series or series-multiple lighting circuits, to obtain permission to do so from the Company's Emergency Foreman before commencing any work.

7. [Reserved for Future Use]

8. If the PASNY Customer Would Receive Service Under Service Classification No. 8 of the Company's Schedule for Electricity:

(A) The following Riders of the Company's Schedule for Electricity may be applied to the delivery of power and energy under this Service Classification: B, C, D, and G.

9. If the PASNY Customer Would Receive Service Under Service Classification No. 9 of the Company's Schedule for Electricity:

(A) Power and energy will be furnished as follows:

(1) for redistribution or the furnishing of electric energy for use of the PASNY Customer’s non-residential tenants or non-residential occupants in the building or premises at which electricity energy is delivered under this Special Provision in the Company's territory in the Boroughs of Manhattan, The Bronx (except for City Island, Pelham Bay Park, Williamsbridge, Wakefield, and the territory north of Pelham Bay Park to the City line), Brooklyn and Queens, and in other portions of the territory if authorized by the Public Service Commission; or

(2) for redistribution or the furnishing of electric energy for use of the PASNY Customer’s residential tenants or occupants in the building or premises at which the electric energy is delivered under this Special Provision during the period between construction or substantial renovation of the building wiring and the installation of submetering authorized as specified in Rider G of the Company’s Schedule for Electricity; or

(Delivery Service Classification - General - Continued on Leaf No. 24)
9. If the PASNY Customer Would Receive Service Under Service Classification No. 9 of the Company's Schedule for Electricity - Continued

(A) - Continued

(3) directly to a PASNY Customer on condition that the delivery of such electric energy is for the PASNY Customer’s own use; provided, however that the PASNY Customer may redistribute or furnish electric energy for use of tenants or occupants in the building or premises where such electric energy so redistributed is to:

(i) Transient or non-transient occupants of a facility operated primarily for transients;

(ii) Rooming houses, dormitories, hospitals and other institutional care facilities, where the tenants or occupants do not occupy individual flats or apartments equipped with separate kitchen and bathroom facilities; or

(iii) Portions of the PASNY Customer's premises which are impractical to meter separately, such as:

(a) concession stands in office building lobbies or amusement parks not completely separated from the areas surrounding them; (b) individual offices in professional suites having facilities and office services shared by the occupants of such offices; and (c) incidental storage space provided in connection with occupancy of other portions of the PASNY Customer's premises;

(iv) Occupants of the PASNY Customer's premises who are primarily engaged in the business of supplying incidental goods or services to the Customer or its students or employees; and

(v) Tenants occupying space which does not exceed 10 percent of the total square foot area supplied under this Special Provision.

(B) The PASNY Customer who redistributes or furnishes electric energy for use of tenants or occupants pursuant to the Special Provision A may only resell, make a specific charge for, or remeter (or submeter) or measure any of the electric energy so redistributed or furnished: (1) in accordance with Rider G of the Company's Schedule for Electricity; or (2) if the PASNY Customer engaged in resale, remetering (or submetering) to non-residential tenants or occupants under the Wholesale Service Classification of the Company’s Schedule for Electricity Service as of July 31, 1951.

(C) On and after April 1, 2010, a request made to the Company to install service facilities for a new or substantially renovated multiple dwelling must be accompanied by either a declaration that direct metering of each dwelling unit is intended or a copy of a submetering application filed with the Public Service Commission pursuant to 16 NYCRR Part 96.

(D) The following Riders of the Company's Schedule for Electricity may be applied to the delivery of power and energy under this Service Classification: B, C, D, and G. Rider P of the Company's Schedule for Electricity is available to any PASNY Customer that contracts to sell installed capacity to Con Edison.
9. If the PASNY Customer Would Receive Service Under Service Classification No. 9 of the Company's Schedule for Electricity - Continued

(E) PASNY Customers will be served under Rider Y of the Company’s Schedule for Electricity and will be subject to the provisions of that Rider, including the Customer Facility Cost Contribution and Financial Security, if service or increased service is requested on and after May 1, 2002 at a load density that exceeds the higher of (i) the Standard Load Density for the type of premises for which service is requested or (ii) the load density that the Company, after consultation with the PASNY Customer, concludes is required for safe and adequate service. The Customer Facility Cost Contribution required of PASNY Customers taking service for breakdown, reserve, and auxiliary purposes will be decreased by the amount of the capital cost portion of the Interconnection Charge that was or would be incurred for facilities installed under Rider Y. For PASNY Customers who take service for breakdown, reserve, and auxiliary purposes, the Customer Facility Cost Contribution will be decreased by the amount of the capital cost portion of the Interconnection Charge that was or would be incurred for facilities installed under Rider Y.

The rates and charges applicable to service under this Rate Schedule will apply to service under Rider Y, provided, however, that, the demand charges billed under Rates I and II of this Rate Schedule in each month shall equal the higher of:

(i) the demand charges per kW applicable to the PASNY Customer’s Delivery Service Rate multiplied by the PASNY Customer’s maximum demand in such month, or

(ii) the demand charges per kW applicable to the PASNY Customer’s Delivery Service Rate multiplied by the applicable factor set forth below times the Customer’s Contract Demand as defined in Rider Y:

<table>
<thead>
<tr>
<th>Delivery Service Rate</th>
<th>Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate I</td>
<td>0.7216</td>
</tr>
<tr>
<td>Rate II</td>
<td>0.7234</td>
</tr>
</tbody>
</table>

provided, however, that, for a PASNY Customer served under Special Provision No. 16, the “PASNY Customer’s maximum demand” means the demand served under this Rate Schedule as determined in accordance with General Rule III-11(W) of the Company’s Schedule for Electricity.
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

11. If the PASNY Customer Would Receive Service Under Former Service Classification No. 11, "Public Building Light and Power For The City of New York of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity:

(A) The following Special Provisions apply to delivery of power and energy to public buildings in The City of New York:

(1) Public Buildings, Offices and Structures or parts thereof, used by the City for public purposes, in the Company's territory in The City of New York:

(a) For the purposes of billing under this Tariff, a single premise is defined as:

(i) A single building, or part of a building; or

(ii) A group of buildings occupied and used exclusively for a unitary function or activity of the City and whose demand metering is pilot-wired by the City to a single point for coincident demand, where either the buildings are adjacent and on contiguous property within the same City block, or the buildings, where separated by a City street, are situated on parcels of land which occupy wholly or in part immediately opposite street frontages on the same street.

(b) The City shall notify the Company in advance, in writing, when delivery service is desired at additional premises, or when delivery service is to be discontinued at existing premises.

(c) Notwithstanding any other provision of this Special Provision, the New York City Health and Hospitals Corporation shall receive delivery service hereunder. Power and energy will not be delivered hereunder to or for the use of any other governmental or quasi-governmental entity, New York City Transit Authority, New York City Off-Track Betting Corporation or any other public authority or public corporation.

(2) Schools: The term "school" shall include only public elementary and secondary schools of the City, operated by the Board of Education, and public colleges and universities of the City operated by the Board of Higher Education in The City of New York.

(3) Breakdown for City Operated Generating Plant: The delivery of power and energy to public buildings in The City of New York for breakdown purposes for City operated generating plants shall be classified as use for standby service purposes and shall be subject to Special Provision 3.
Special Provisions - Continued

12. If the PASNY Customer Would Receive Service Under Service Classification No. 12 of the Company's Schedule for Electricity:

(A) The following Riders of the Company’s Schedule for Electricity may be applied to the delivery of power and energy under this Service Classification: D, and G.

14. If the PASNY Customer Would Receive Service Under Former Service Classification No. 14, “The Port Authority of New York and New Jersey” of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity:

(A) The following Special Provisions apply to delivery of power and energy to the Port Authority of New York and New Jersey (World Trade Center):

(1) The Company shall be solely responsible for the operation and maintenance of its equipment used to deliver electricity from the Trade Center Substation to the Port Authority’s splicing chambers or other terminal facilities adjacent to the substation up to and including the splices. The Port Authority shall be solely responsible for the construction and maintenance of such splicing chambers and for all electrical wiring and equipment used in distributing the electricity from such splicing chambers to and within the Trade Center.

(2) The electricity delivered hereunder shall be metered at 13,800 volts. The energy and demand so determined shall be converted for billing purposes to the equivalent quantities at 138,000 volts by application of a multiplying factor of 1.0075. If more than one meter is used by the Company to determine the quantities of electricity delivered hereunder, the amount of energy registered by each watthour meter will be combined and the maximum demands shall be added on a coincident basis for billing purposes.
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

15. If the PASNY Customer Would Receive Service Under Former Service Classification No. 15, "New York City Transit Authority" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity:

(A) The following Special Provisions apply solely to the delivery of traction power and energy to the New York City Transit Authority for its transit system:

(1) For the purposes of this Special Provision the following definitions shall apply:

(a) "Authorized Representatives" means the Assistant General Superintendent (Power) of the Authority and any authorized Company representative authorized to represent the PASNY Customer and the Company in connection with matters under this Special Provision.

(b) "Electricity Substation Delivery" means high tension electricity delivered from the Company's distribution system at transit substations, and also includes low tension electricity used for substation auxiliaries only in such substations.

(c) "Transit System" means the traction system now operated or to be operated by the Transit Authority within the Boroughs of Manhattan, The Bronx, Brooklyn and Queens (except that portion included within the Fifth Ward) of The City of New York.
15. If the PASNY Customer Would Receive Service Under Former Service Classification No. 15, "New York City Transit Authority" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity - Continued

(A) The following Special Provisions apply to delivery of traction power and energy to the New York City Transit Authority for its transit system - Continued

(2) Service to be regularly used as the normal supply for electric traction purposes of the rapid transit systems owned or operated by the PASNY Customer will be delivered under the provisions of this Delivery Service Rate Schedule.

No service supplied under this Special Provision shall be used as an alternate to another source of supply, as a reserve or part-time supply, or as an emergency supply. However, the PASNY Customer may, for purposes of public safety, secure or provide an alternate source of supply, provided that such alternate supply shall be used only in the event, and for the duration, of a failure of the Company's supply, or during use for necessary testing purposes after notice to the Company.

Where the Company supplies electric service to substations adjacent to substations connected to the same traction distribution system which are supplied from another source of supply, the PASNY Customer shall so operate its electric facilities that there shall be no substitution, in whole or in part, of electricity from such other source in place of the Company's service, and the PASNY Customer shall operate its equipment and facilities supplied with service by the Company in substantially the same manner and on approximately the same schedule as similar adjacent equipment or facilities are supplied by the PASNY Customer's other source of supply, otherwise Special Provision 3 shall apply.

All service used as an alternate for another source of supply shall be classified as use for standby service purposes, and shall be available only upon compliance with Special Provision 3.

For the purpose of computing the charges to be paid by PASNY for Substation Delivery, demand taken at all points of delivery will be added and the rates and charges will be applied to the total demand, the demand so added being the maximum coincident demand at all the points of delivery to the extent that such maximum coincident demand may be determined by comparison of the registrations of recording-type demand meters installed at the respective locations where service is supplied, but only one demand meter registration per substation shall be included in such comparison.
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

15. If the PASNY Customer Would Receive Service Under Former Service Classification No. 15, "New York City Transit Authority" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity - Continued

(A) The following Special Provisions apply to delivery of traction power and energy to the New York City Transit Authority for its transit system - Continued

(3) Substation Delivery furnished hereunder shall be delivered directly from the Company's distribution system to transit substations and shall be metered at the substation and delivered at the first manhole at the substation or such other point of delivery as may be mutually agreed upon by the Authorized Representatives. The Company shall own and maintain all feeder cables, ducts and associated equipment required to deliver the power and energy up to and including the splice connection connecting such cable to the PASNY Customer's cable. The PASNY Customer shall maintain all cables, ducts and associated equipment required to take delivery, excluding the splice connection at the point of delivery.
DELMIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

15. If the PASNY Customer Would Receive Service Under Former Service Classification No. 15, "New York City Transit Authority" of the Company's Schedule for Electricity Service, PSC No. 8 - Electricity - Continued

(A) The following Special Provisions apply to delivery of traction power and energy to the New York City Transit Authority for its transit system - Continued

(4) During the period of any emergency it may be necessary to deliver through facilities and at points of delivery different from the facilities and points of delivery herein contemplated. The electrical connections and points of delivery utilized for the purposes of such emergency shall be such as may be mutually agreed upon by the Authorized Representatives.

(5) The Company shall furnish and maintain meters and metering devices which shall accurately measure the electricity delivered hereunder in electrical units and in the periods of time provided for billing purposes. The watthour meters shall be used in determining the net energy furnished to the PASNY Customer at the bus of each of the plant delivery points and the net energy furnished to the PASNY Customer at each substation supplied directly from the Company's distribution system. The demand meters shall be used in determining the thirty-minute maximum demands at the respective locations where service is delivered.

The Company shall make available to the PASNY Customer during business hours the records of the registrations of all meters used to measure the service supplied hereunder.

(6) The PASNY Customer may redistribute or furnish power and energy for the use of concessionaires occupying space in the premises where the PASNY Customer uses the service delivered hereunder, provided that the PASNY Customer shall not resell, or make a specific charge for any of the power and energy so redistributed or furnished, and the Customer may continue to submeter and resell power and energy at any location where the Customer was submetering and reselling electricity on August 1, 1969, but only for the purpose for which power and energy was being submetered and resold at such location on such date.
16. If power and energy is delivered pursuant to Chapter 383 of the Laws of 2001

Definitions:

- “Public Corporation” means a public corporation customer of PASNY within the metropolitan area of the City of New York within the state of New York to whom PASNY is authorized, pursuant to the WTC Law, to supply power and energy for resale to other public and private users.


- “WTC Power” means the power and energy of up to 80,000 kilowatts in aggregate within the City of New York supplied by PASNY and delivered under this Special Provision pursuant to the WTC Law.

- “WTC Power Allocation” means the amount of power allocated by PASNY, expressed in kilowatts, for delivery to a WTC Power Recipient upon such entity’s execution of a written resale agreement with a Public Corporation.

- “WTC Power Recipient” means an entity for which PASNY or its designee has provided written notification to the Company that such entity has received a WTC Power Allocation.

This Special Provision is applicable to WTC Power supplied by PASNY pursuant to the WTC Law and delivered hereunder to WTC Power Recipients.

(A) Service under this Special Provision will only be available if service at a delivery point is demand-metered and demand-billed.

(B) Service under Rider I, J, L, or S of the Company’s Schedule for Electricity is available for electricity requirements in excess of that served under this Rate Schedule.

(C) Service for each WTC Power Recipient will be available under this Special Provision beginning on the first scheduled meter reading date that follows Con Edison’s receipt of notification of a WTC Power Allocation hereunder or the effective date of this Special Provision, whichever is later, and will continue for a minimum term of three years as provided in the WTC Law, unless the WTC Power Recipient or PASNY terminates service hereunder at an earlier date.

(D) PASNY, at its discretion, may change or terminate a WTC Power Allocation at any time, such as to reflect a change in the electricity requirements of the WTC Power Recipient or for the WTC Power Recipient’s failure to comply with its resale purchase agreement with a Public Corporation. In the event a WTC Power Recipient’s allocation is reduced or terminated, PASNY, at its discretion, may allocate such power and energy to another WTC Power Recipient. PASNY or its designee shall notify the Company in writing of any such change, which shall become effective as of the next scheduled meter reading date.

(Delivery Service Classification – General – Continued on Leaf No. 32)
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

Special Provisions - Continued

16. If power and energy is delivered pursuant to Chapter 383 of the Laws of 2001 - Continued

(E) There shall be no more than one WTC Power Recipient per delivery point. Con Edison will bill PASNY for service to each delivery point. Delivery of power and energy for each WTC Power Recipient under this Special Provision will be billed at the applicable rate under this Rate Schedule for the character of service at the premises to which power and energy is delivered.

(F) A Customer Charge will apply to service under this Special Provision. The Customer Charge for the billing period is $0.00 per delivery point if the WTC Power Recipient is the only end-user of the Company’s delivery service at the delivery point and its WTC Power Allocation is greater than or equal to the maximum monthly demand at the delivery point for the billing period. If the WTC Power Recipient is not the only end-user of the Company’s delivery service at the delivery point or if the WTC Power Allocation is less than the maximum monthly demand at the delivery point for the billing period, the Customer Charge for the billing period is $50.00 per WTC Power Recipient per delivery point; provided, however, that such amount will be reduced by any Customer Charge amount(s) that are also applicable to the WTC Power Recipient for service under Rider Q of the Company’s Full Service Schedule.

(G) Power and energy will be served under this Special Provision for each WTC Power Recipient in accordance with General Rule III-11(W) of the Company’s Schedule for Electricity.
DELIVERY SERVICE CLASSIFICATION - GENERAL - Continued

[RESERVED FOR FUTURE USE]