



POWER AUTHORITY OF THE STATE OF NEW YORK  
30 SOUTH PEARL STREET  
ALBANY, NY 12207

Electric Service Tariff for Public Corporations  
in the New York City Metropolitan Area  
Firm Hydroelectric Power Service

Service Tariff No. 8

Date of Issue: xxxxxxxxxxxxxxxxxxxx

Date Effective: xxxxxxxxxxxxxxxxxxxx

Issued by James H. Yates, Senior Vice President  
Power Authority of the State of New York  
30 South Pearl Street, Albany, NY 12207

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### To be completed with final version

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## Schedule of Rates for Firm Hydroelectric Power and Energy Service

### I. Applicability

To sale of St. Lawrence-FDR Hydroelectric Project firm power and energy to Customer (as defined below).

### II. Abbreviations and Terms

A. The following abbreviations are used:

kW	kilowatt(s)
kWh	kilowatt-hour(s)
NYPA	New York Power Authority
NYISO	New York Independent System Operator

B. The term "Authority" means New York Power Authority, an alternative name for the Power Authority of the State of New York.

C. The term "Customer" means a public corporation located in the New York City metropolitan area serving traction load.

D. The term "Power" or "Firm Hydroelectric Power" means capacity (kW) from Project, intended to be available at all times except for limitations provided in the Agreement(s), the Rules, this Service Tariff or in other contract documents. Firm Power shall not include peaking power.

E. The term "Energy" or "Firm Hydroelectric Energy" means energy (kWh) associated with Firm Hydroelectric Power.

F. The term "Project" means the Authority's St. Lawrence-FDR Hydroelectric Project.

G. The term "Rules" means Authority's Rules and Regulations for Power Service (Part 454 of Chapter X of Title 21 of the Official Compilation of Codes, Rules and Regulations of the State of New York, 21 NYCRR § 454) as now in effect and as may be later amended from time to time by Authority.

H. The term "Service Tariff" means this Service Tariff No. 8.

### III. Monthly Rates and Charges

#### A. Monthly Base Rates

The monthly demand and energy charges paid by Customer to Authority shall be based on the preference power rates charged by Authority, as shown below.

<u>Effective Date</u>	<u>Demand Rate</u> \$/kW-month of contract demand	<u>Energy Rate</u> Mills/kWh
5/1/2008	2.96	4.92

The demand and energy rates set forth above will apply at the Project switchyard and the energy rate shall be subject to a monthly adjustment in accordance with a Flow Adjustment Computation (FAC) described in Section V.

#### B. Minimum Monthly Charge

The product of the demand rate set forth above and the contract demand.

#### C. Billing Period

Any period of approximately thirty (30) days, generally ending with the last day of each calendar month.

#### D. Contract Demand

The amounts set forth in the application for electric service between Authority and Customer.

#### E. Energy Entitlement

At normal average annual load factor.

#### F. NYISO Transmission and Related Charges ("NYISO Charges")

The Customer shall compensate the Authority for the following NYISO Charges assessed on the Authority for services provided by the NYISO or any successor organization pursuant to its Open Access Transmission Tariff

("OATT") or other tariffs (as the provisions of those tariffs may be amended and in effect from time to time);

1. Ancillary Services 1 through 6 and any new ancillary services as may be defined and included in the OATT from time to time;
2. Marginal losses;
3. The New York Power Authority Transmission Adjustment Charge ("NTAC");
4. Congestion costs, less any associated grandfathered Transmission Congestion Contracts ("TCCs") as provided in Attachment K of the OATT;
5. Any and all other charges, assessments or other amounts associated with deliveries to Customers or otherwise associated with the Authority's responsibilities as a Load Serving Entity for the Customers that are assessed on the Authority by the NYISO or any successor organization under the provisions of its OATT or under other applicable tariffs; and
6. Any charges assessed on the Authority with respect to service to Customers for facilities needed to maintain reliability and incurred in connection with the NYISO's Comprehensive System Planning Process (or similar reliability-related obligations incurred by NYPA with respect to service to Customers), applicable tariffs or required to be paid by the Authority in accordance with law, whether charged by the NYISO or some other third party.

The NYISO Charges in this section are in addition to the Authority production charges that are charged to the Customer in accordance with other provisions of this Service Tariff.

**G. Taxes and Other Charges**

The charges under this Service Tariff shall be subject to adjustment as Authority deems necessary to recover from Customer any rates, taxes, assessments charged to Authority or any other charges mandated by federal, state and local agencies that are levied on the Authority or that the Authority is required to collect from its customers if and to the extent such rates,

charges, taxes or assessments are not recovered by Authority pursuant to another provision of this Service Tariff.

#### IV. General Provisions

General Provisions for service supplementing or modifying the Rules and this Service Tariff with regard to deliveries to Customer are as follows:

A. Character of Service

Alternating current, 60 hertz, three-phase.

B. Adjustment of Rates

To the extent not inconsistent with the application for electric service, the rates contained in this Service Tariff may be revised from time to time on not less than thirty (30) days written notice to Customer.

C. Adjustment of Charges

Power Factor

Authority may require Customer normally to maintain power factor not less than 90% lagging or leading, at the point of delivery.

D. Payment by Customer for Firm Hydroelectric Power and Energy

Bills computed under this Service Tariff are due and payable at the office of the Authority within ten (10) days of the date of bill, subject to late payment charges in accordance with Section 454.6(b) of the Rules. In the event that there is a dispute on any items of a bill rendered by Authority, Customer shall pay such bill in its entirety within the prescribed period and any necessary adjustments will be made thereafter. If Customer is presently receiving power from Authority under other contracts, the billing procedures under this Service Tariff will be to the extent practicable consistent and coordinated with such other contract arrangements.

Bills computed under this Service Tariff are due and payable by electronic wire transfer in accordance with the Rules. Such wire transfer shall be made to J P Morgan Chase NY, NY / ABA021000021 / NYPA A/C # 008-030383, unless otherwise indicated in writing by Authority.

E. Transmission and Delivery Service Charges

Customer will compensate Authority for making delivery of power and energy to Customer by paying to Authority transmission and delivery service

charges, including compensation for losses, in the amount determined by Authority to be necessary to defray the cost of such delivery of power and energy including (a) the cost to Authority of delivery of power and energy pursuant to any wheeling agreement together with any administrative expenses incurred by Authority in connection herewith and (b) where power and energy is delivered either wholly or partially over facilities of Authority, Authority's transmission charge or charges.

F. Redistribution of Electric Service

Customer may resell, remeter (or submeter), or redistribute electric service to its traction load in the premises supplied by Authority, only if and to the extent that such is authorized by the Authority and not violative of any statute, laws, rules or regulations of any body having jurisdiction in the premises.

G. Supplementary Provision

Section 454.6(d) of the Rules are inapplicable to this Service Tariff.

H. Continuance and Termination of Service

Initiation of service will be upon accepted application of Customer, under the procedure specified in the Rules. Once initiated, service will continue thereafter as may be mutually agreed upon, subject to termination by Authority (1) pursuant to required notice as provided in the Rules or (2) if in its sole discretion it determines that such termination is necessary or desirable to assist it to comply with any ruling, order or decision of any regulatory or judicial body. Customer may reduce or terminate service at any time after one year's service on written notice to Authority not less than 120 days in advance, or sooner if mutually agreeable. Termination by Customer of any other service being provided by Authority shall also constitute termination of service hereunder. Until actually terminated, the minimum monthly charge provision of this Service Tariff shall apply.

I. Conflicts

In the event of any inconsistencies, conflicts or differences between the provisions of this Service Tariff and the Rules, the provisions of this Service Tariff shall govern.

**V. Flow Adjustment Computation ("FAC")**

The energy charges under this Service Tariff, and the applicable service tariffs associated with both the Project and the Niagara Hydroelectric Project, in the aggregate, are subject to a credit or surcharge pursuant to a FAC in any rate year following a calendar year for which the Hydroelectric Project Rate Stabilization Reserve ("RSR") is greater than \$+25 million, or less than \$-25 million, respectively. The RSR will be used to ensure rate stability and cost recovery and its level will be determined and any credit or surcharge for the succeeding rate year will be calculated after the prior calendar year's costs and generation levels are known. Any credit or surcharge will be applied on a uniform basis to the monthly billing statements rendered pursuant to this Service Tariff during the succeeding rate year.

The FAC is inapplicable in any rate year succeeding a calendar year at the end of which the RSR is within the \$+25 million to \$-25 million range. If at the end of any calendar year, the RSR is determined to exceed \$+25 million, such excess amount will be credited pro-rata to Customers during the succeeding rate year pursuant to the FAC. If the RSR at the end of any calendar year is determined to be less than \$-25 million, the difference below \$-25 million will be surcharged pro-rata to Customers during the succeeding rate year pursuant to the FAC.

To the extent that there is a balance in the RSR (positive or negative) on the effective date of service under the applicable Agreement(s), arising out of service under a prior agreement for the sale of Project power and energy, that RSR balance shall be carried forward and maintained as the balance as of the effective date of service under the applicable Agreement(s).

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