

PSC NO: 219 GAS
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: 05/20/09
 STAMPS: Issued in Compliance with Order of PSC in Case 08-G-0609 dated 05/15/09.

LEAF: 154
 REVISION: 4
 SUPERSEDING REVISION: 2

**SERVICE CLASSIFICATION NO. 8
 GAS TRANSPORTATION SERVICE WITH STANDBY SALES SERVICE (CONTINUED)**

BILLING QUANTITY:

The amount of gas to be billed each month under this Service Classification by the Company to the customer will be the amount consumed by the customer during any given calendar month. Customers electing Standby Service will be billed a demand charge based on the customer's Daily Elected Contract Demand.

The Daily Elected Contract Demand will be the maximum daily level of standby service elected by the customer regardless of whether transport or sales service is actually taken.

DEFINITION OF RATES:

1. Monthly Delivery Service Rates

All Customers, as described above:

	<u>Delivery Service Rate</u>
First 100 Therms or less	\$ 825.65
Next 99,900 Therms, per Therm	\$0.05934
Next 400,000 Therms, per Therm	\$0.05613
Over 500,000 Therms, per Therm	\$0.04842

2. Balancing Charge - Marketers or Direct Customers participating in the Company's Daily Balancing Program under Service Classification No. 11 will be charged a Monthly Balancing Charge at a rate per therm of MPDQ for Customers in the Marketer's pool calculated in accordance with Rule 17.5 of this tariff.

3. Standby Sales Service - For standby sales service for gas purchased from the Company within the contract demand levels nominated in accordance with Special Provision 11 below, the following Calendar Month Rate will apply:

A. Contract Demand - Customers taking service under S.C. No. 8, and electing standby service, will pay Contract Demand Charges for daily contract demand nominated pursuant to Special Provision 11, below.

1. Daily Contract Demand Charge – The Daily Contract Demand charge will be equal to the effective Daily Contract Demand Rate per Therm times the customer's Daily Elected Contract Demand in Therms.

2. Commodity Cost of Gas – For each day in the calendar month, the actual Daily Weighted Average Cost of Gas will be multiplied by the customer's Daily Nominated Standby Quantity to produce that day's cost. Each day's cost will be summed for the month and billed to the customer's Marketer.

Issued By: Thomas B. King, President, Syracuse, New York