

PSC NO: 219 GAS  
NIAGARA MOHAWK POWER CORPORATION  
INITIAL EFFECTIVE DATE: 11/01/07  
STAMPS: Issued in Compliance with Order of PSC in Case 06-G-0059 dated 8/23/07.

LEAF: 37  
REVISION: 3  
SUPERSEDING REVISION: 2

### GENERAL INFORMATION

#### 3. PRIORITY OF SERVICE: (continued)

- 3.6.2 Curtailment will be designed to meet the needs of core customers first, regardless of whether the core customers are sales or transportation customers.

Curtailment will proceed through the 9 priorities in paragraph 3.6.3 below starting with Priority 1, irrespective of whether the affected customer is purchasing supplies from the Company or from a Marketer and irrespective of any curtailment plan submitted by the Marketer to the Company. The affected customer will be required to curtail after not less than two hours notice by telephone or otherwise. The Company will notify customers when curtailment of consumption is no longer required.

During a period of curtailment, Marketers or affected Transportation Customers will be required to maintain city gate deliveries of gas at the direction of the Company, subject to qualified upstream force majeure interruptions or curtailment preventing Marketers' ability to secure and deliver such supplies. Marketers or affected Transportation Customers will be obligated to continue to deliver or cause to be delivered, the quantities of gas that were nominated or scheduled for delivery at the time of the notice of curtailment. Such quantities shall continue to be delivered until notified by the Company otherwise. The cost of supplies purchased by the Company for the purposes hereunder shall be recovered as a gas cost under Rule 17.3.

- 3.6.2.1 Curtailment Priorities 1-9 will be curtailed on either a prorated or size basis at the sole discretion of the Company.
- 3.6.2.2 The Company will implement a curtailment only as a last resort, after other available options have failed. Such options may include mutual aid, contractual and other non-curtailment supply management tools, Operational Flow Orders, interruption of contractually-interruptible load, and supply acquisition shall be utilized before a LDC declares a curtailment.
- 3.6.2.3 As circumstances permit, the Company will initially seek voluntary curtailments to alleviate an emergency situation.
- 3.6.2.4 Economic considerations shall not be the basis for a curtailment.
- 3.6.2.5 Curtailments shall be limited in scope and duration as necessary to alleviate an emergency.
- 3.6.2.6 Curtailments shall be localized to the extent possible.

3.6.3 Order of Curtailment:

- 3.6.3.1 Priority 1 – Interruptible industrial and commercial customers taking service under Service Classification No. 4 and Service Classification No. 6.

Issued By: William F. Edwards, President, Syracuse, New York