

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 03/16/06

LEAF: 37
REVISION: 1
SUPERSEDING REVISION: 0

GENERAL INFORMATION

3. PRIORITY OF SERVICE: (continued)

3.7 Long Term Curtailment:

3.7.1 Long Term Curtailment will be defined by the Company as curtailment which is not covered under short term curtailment set forth in Rule 3.6 above. Long Term Curtailment will be designed to meet the needs of core customers first, regardless of whether the core customers are sales or transportation customers.

3.7.2 Curtailment will proceed through the 9 priorities in paragraph 3.7.3 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. Marketers or affected Transportation Customers shall continue to deliver, or cause to be delivered, such quantities until notified by the Company otherwise. Such delivery requirements shall apply whether Marketers' customers are curtailed or not. In the event of a redirection of supplies under this provision, the entity whose gas was taken in such instances shall be compensated in the same manner set forth in Rule 3.6.2 Short Term Curtailment. The cost of supplies purchased by the Company for the purposes hereunder shall be recovered as a gas cost under Rule 17.3.

3.7.2.1 Curtailment within class will be instituted in order by size for Priority 1 Customers. Curtailment Priorities 2-9 will be curtailed on either a prorated or size basis at the sole discretion of the Corporation.

3.7.2.2 If the reason for the curtailment is in the Company's sole judgment due to a force majeure condition, the Company will curtail services in accordance with the short term curtailment provisions as set forth in Rule 3.6.

3.7.3 Order of Curtailment:

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

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