

PSC NO: 218 GAS

LEAF: 105

NIAGARA MOHAWK POWER CORPORATION

REVISION: 6

INITIAL EFFECTIVE DATE: 11/01/03

SUPERSEDING REVISION: 5

STAMPS: Issued in Compliance with Order of PSC in Case 02-M-0515 dated 04/24/03.

GENERAL INFORMATION

17. ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF PURCHASED GAS:
(continued)

17.6.3.2 Any difference between the amounts to be refunded and amounts actually refunded at the end of the refund period, or refunds held by the Company because the amounts are too small to be credited separately, will be included in the next Annual Surcharge or Refund Computation Rule 17.7.

17.6.4 Where exceptional circumstances warrant, the Company may petition the Commission for a waiver or modification of the above refund plan.

17.7 Annual Surcharge or Refund

17.7.1 A surcharge or refund to recover Monthly Cost of Gas under-collections or to refund Monthly Cost of Gas overcollections will be computed for customers taking Gas Supply Service under Service Classification Nos. 1, 2, 3 and 12 by taking the cost of purchased gas as recorded on the books of the Company during the determination period increased/decreased by the cost of gas associated with the Dth by which the actual total system loss factor is below/above the allowed system loss factor as applicable to the determination period. This amount will then be reduced by amounts equal

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