PSC NO: 219 GAS LEAF: 170 NIAGARA MOHAWK POWER CORPORATION REVISION: 1 INITIAL EFFECTIVE DATE: 02/19/04 SUPERSEDING REVISION: 0 STAMPS: Issued in Compliance with Order of PSC in Case 98-M-1343 dated 11/21/03.

SERVICE CLASSIFICATION NO. 11 LOAD AGGREGATION

APPLICABLE TO USE OF SERVICE FOR:

Service Classification 11 defines the terms under which eligible customers may receive Daily Balancing Service or Monthly Balancing Service on the Niagara Mohawk system. A qualified entity may be eligible to act as a Marketer or Direct Customer under this Service Classification.

DEFINITIONS:

<u>"Aggregator"</u> - A non-utility entity that aggregates customers (including Direct Customers) for the purpose of obtaining natural gas supply for those customers. It does not sell natural gas supply to those customers.

<u>"Base and Thermal Methodology"</u> - "Daily Baseload" equals the customer's average daily usage in the two months of lowest daily usage during the period of June through September. Annual Baseload equals Daily Baseload multiplied by 365. Thermal usage equals total usage during the twelve-month period minus Annual Baseload. "Degree Day Usage" equals Thermal Usage divided by the total number of degree days during the twelve month period. The Maximum Peak Day Quantity equals the product of Degree Day Usage multiplied by 75 plus Daily Baseload.

<u>"City Gate Swing Customer" (CSC)</u> -Is a party who utilizes a specific City Gate Delivery Point established by a DPO, meets the requirements of DTI, and arranges for service on a no-notice basis from DTI.

<u>"Delivery Point Operator" (DPO)</u> - Is the Operator of the physical interconnection with DTI, at which point DTI may deliver shipper's gas to the Operator.

"Direct Customer" (Customer Pool of One) - A customer that purchases and schedules delivery of natural gas to the Company's City Gate for its own consumption from one or more supplier and not for resale under the Company's Daily Balancing Program. Direct Customers do not have to file an application with the Department of Public Service to become eligible as a Marketer but must comply with certain operating requirements established by the Company. A Direct Customer may aggregate and schedule load for itself and other Direct Customers, each of which would continue to be responsible individually for meeting requirements placed on Direct Customers. The Direct Customer must consume in excess of 3,500 Dekatherms annually.

"Discontinuance" - Refers to the customer's loss of delivery service due to the non-payment of distribution utility charges.

"Entity" - Means a natural person, corporation, partnership, association, or other legally recognized form of business organization.

<u>"Gas Supply Service" (GSS)</u> - The furnishing of gas supply, including transportation to the Company's City Gate, to meet a customer's needs, exclusive of the delivery service provided by the Company under this tariff.

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