

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 01/01/04

LEAF: 184
REVISION: 3
SUPERSEDING REVISION: 1
(REVISION 2 PENDING)

STAMPS: Issued in Compliance with Order of PSC in Case 02-M-0515 dated 12/03/03.

SERVICE CLASSIFICATION NO. 11
LOAD AGGREGATION (CONTINUED)

LOAD AGGREGATION SERVICE: (continued)

2. Monthly Balancing Service:

- A. Eligibility - Monthly Balancing Service is available to customers who have taken service under Service Classification Nos. 1, 2, 3, 5, 7 and 12 who have met the term provisions of their respective service classifications and who have an approved Marketer. Service Classification No. 12 customers must have initially elected commodity service from the Company in order to participate in Monthly Balancing. To receive Monthly Balancing Service, an enrollment must be completed by the customer's approved Marketer and submitted to the Company electronically not later than 15 calendar days prior to the month service is to commence. For a 31 day month this will be on the 17th of the month, for a 30 day month this will be on the 16th of the month, for a 29 day month this will be on the 15th of the month and for a 28 day month on the 14th of the month. If the Company does not have access to the customer's meter, an estimated read may be used if the Company has an actual read within the last 150 days, otherwise, the enrollment will not occur.
- B. The Monthly Balancing Program is designed around and offered in conjunction with DTI's Delivery Point Operator (DPO) and Citygate Swing Customer (CSC) Program under DTI rate schedules FT, FTNGSS and GSS.

3. Allocation of Upstream Capacity:

The Marketer must demonstrate ownership of nonrecallable primary delivery or storage capacity under DTI rate schedules FT, FTNGSS and GSS by providing Niagara Mohawk an affidavit by the 25th of the month preceding the month of service.

- A. Release of Capacity - All DTI FT capacity allocated to the Monthly Balancing Service customers of a single Marketer will be released by Niagara Mohawk to the Marketer on behalf of the customer in a prearranged capacity release transaction at maximum demand rates in accordance with the capacity release provisions of the tariff of DTI. The term of each such release will be for one year and one day. All releases will be made subject to the following conditions: (i) the capacity is recallable by Niagara Mohawk when a customer elects to change Marketers; (ii) the capacity is recallable by Niagara Mohawk when a Marketer fails to perform its obligations under this tariff; (iii) the capacity is recallable by Niagara Mohawk when a Marketer ceases to meet the credit or security requirements of this service classification and (iv) the capacity is recallable by Niagara Mohawk if the customer discontinues service. The amount of capacity to be allocated to Monthly Balancing Service customers will be equal to 45% of their Maximum peak Day Quantity as further defined in Leaf 171.

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