..DID: 18080 ..TXT: PSC NO: 218 GAS LEAF: 34.3 COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 3 INITIAL EFFECTIVE DATE: 04/01/02 SUPERSEDING REVISION: 2 STAMPS: Issued in Compliance with order of PSC in C. 00-G-0996 dated 10/31/01. RECEIVED: 01/09/02 STATUS: Effective EFFECTIVE: 04/01/02 GENERAL INFORMATION 3.4.4 Penalties for Non Compliance (continued)

> 3.4.4.1.1 S.C. 4 customer's bills, who are in non compliance under Rule 3.4 of this rate schedule will have their invoices subject to an additional charge in addition to any other applicable charges. The additional charge will be equal to the difference between the billed rate per therm exclusive of Gross Revenue Tax and the alternative rate per therm exclusive of Gross Revenue Tax multiplied by the customer's metered consumption. The alternative rate will be equal to the higher of (1) the customer's billed rate per therm exclusive of Gross Revenue Tax plus ten percent or (2) the average of the equivalent per therm rate for the customer's alternate fuel type of the City of Albany or Syracuse as appropriate from the Journal of Commerce and Bloomberg\*s Oil Buyers Guide plus 30 percent.

> 3.4.4.1.2 S.C. 6 customer bills, who are in non compliance under Rule 3.4 of this rate schedule will have their invoices subject to an additional charge. The additional charge will be equal to the incremental rate calculated in Rule 3.4.4.1.1 above times the customer\*s metered consumption.

> 3.4.4.1.3 S.C. 9 customer bills who are in non compliance under Rule 3.4 of this rate schedule will have their invoices subject to an additional charge. The additional charge will be equal to twice the charge assessed under Rule 3.3 of this rate schedule for unauthorized usage during periods of interruption.

Issued By: <u>Darlene D. Kerr, Executive Vice President, Syracuse, New York</u>