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..TXT: PSC NO: 218 GAS LEAF: 176
COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 2
INITIAL EFFECTIVE DATE: 10/01/00 SUPERSEDING REVISION: 1
STAMPS: Issued in Compliance with order of PSC in C. 00-G-0996 dated 08/24/00.
RECEIVED: 09/01/00 STATUS: Effective EFFECTIVE: 10/01/00

SERVICE CLASSIFICATION NO. 9
NEGOTIATED TRANSPORTATION SERVICE (continued)

SPECIAL PROVISIONS: (continued)

- B. In addition to the applicable interruptibility provisions stated in the Service Agreement, Gas transported hereunder may be interrupted due to Force Majeure emergencies to the extent of the Maximum Daily Delivery Quantity at the sole discretion of the Company at any time by prior oral or written notice to Customer, and Customer shall thereupon discontinue service as ordered.
- C. Customer agrees that if they fail to discontinue use of service as ordered by the Company, the Company may disconnect and cancel service. In addition, all usage of gas taken during such period of requested interruption shall be billed at the stated rate in effect at the time, plus a penalty rate of \$25.00 per Dth of unauthorized usage.
- Customers with distillate alternate fuels, agree that if they fail to meet the alternate fuel requirements set forth in Rule 3.4, the penalties set forth in Rule 3.4 will apply.
- D. In the event the Company interrupts customer's service for purposes of peak shaving, the Company shall compensate the Customer. The rate of compensation shall be as provided for in the Peak Shaving Agreement.
- E. Niagara Mohawk's obligations to deliver customer - owned gas are defined in Rule 3.2 of General Information.
- F. Full cooperation is required from the Customer and the upstream pipeline(s) so that the Company may accurately determine the quantities of Customer-owned gas received by the Company and those quantities of Customer-owned gas actually transported to the Customer by the Company.
- G. If a discrepancy exists between the Monthly Transportation Quantity indicated by the Customer and by the upstream pipeline(s), the latter's quantity shall be billed to the Customer.

H. Under-Deliveries -

- 1) For contracts with an effective date prior to June 1, 1996 customers will become Direct Customers under Daily Balancing under the Terms of S.C. 11 Load Aggregation. The Cashout Provisions and Imbalance Provisions set forth in Rule 29 will not apply.

Supplemental service will be provided on an interruptible basis when the Company, at its sole discretion, has gas supply available. The Company may at its sole discretion require a reduction or interruption in the rate of

Issued By: Darlene D. Kerr, Executive Vice President, Syracuse, New York