..DID: 11667 ..TXT: PSC NO: 218 GAS LEAF: 191 COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 8 INITIAL EFFECTIVE DATE: 04/12/00 SUPERSEDING REVISION: 7 STAMPS: Issued in Compliance with order of PSC in C. 97-G-1380 dated 01/11/00. Cancelled by 9 Rev. Leaf No. 191 Effective 08/01/2000 RECEIVED: 04/11/00 STATUS: Cancelled EFFECTIVE: 04/12/00

SERVICE CLASSIFICATION NO. 11 LOAD AGGREGATION (continued)

b. <u>Verification of Primary Capacity.</u>

The Marketer must demonstrate ownership of nonrecallable primary firm delivery capacity or supply by providing Niagara Mohawk an affidavit by the 25th of the month preceding the month of service. This affidavit will allow the Marketer to choose one of the following: 1) CNG non-recallable primary firm delivery capacity or supply, 2) Empire nonrecallable primary firm delivery capacity or supply, 2) Empire nonrecallable primary firm delivery capacity or supply or, 3) Niagara Mohawk's assigned CNG capacity. In all cases, the volume must be equal to the Marketer's Upstream Maximum Daily Quantity (UMDQ). Any Marketers not demonstrating ownership of nonrecallable primary firm delivery capacity or supply must take a mandatory assignment of Niagara Mohawk's assigned CNG capacity.

c. <u>Release of Capacity</u>. All CNG capacity allocated to the Balanced Aggregation 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 tariffs of the applicable pipelines. The term of each such release will be up to one year. All releases will be made subject to the following conditions: (1) the capacity is recallable by Niagara Mohawk when a customer elects to change Marketers; (2) the capacity is recallable by Niagara Mohawk when an Marketer fails to perform its obligations under this tariff; (3) the capacity is recallable by Niagara Mohawk when an Marketer ceases to meet the credit or security requirements of this service classification; and (4) the capacity is recallable by Niagara Mohawk if the Customer discontinues service under this Service Classification.

d. <u>Termination of Sales Service</u>. Upon commencement of Balanced Aggregation Service to a customer, sales service by Niagara Mohawk will terminate and Niagara Mohawk will have no further obligation to maintain the availability of gas supplies for the non-residential Customer. The Company will maintain availability of gas supplies for residential customers. Costs for maintaining such supplies will be recovered as a standby charge per MPDQ.

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