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COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 3

INITIAL EFFECTIVE DATE: 11/01/99 SUPERSEDING REVISION: 2

STAMPS: Issued in Compliance with order in C. 99-G-0170 et.al. dated 10/15/99.

Cancelled by 4 Rev. Leaf No. 166 Effective 04/23/2000 RECEIVED: 10/29/99 STATUS: Cancelled EFFECTIVE: 11/01/99 SERVICE CLASSIFICATION NO. 8

GAS TRANSPORTATION SERVICE WITH STANDBY SALES SERVICE (continued)

DEFINITION OR RATES (continued)

2. Standby Sales Service

For standby sales service for gas purchased from the Company within the contract demand levels nominated in accordance with Special Provision L below, the following rates apply:

- A) The applicable Calendar Month Rate as set forth on the Statement of Transportation Rate Adjustment will apply.
 - a) Applicable to eligible customers formerly served by NMSuburban Gas Inc. under Service Classification No. 5 of P.S.C. No. 1 Gas.

All Therms Per Therms \$.04500

b) All other customers.

Rate

All Therms Per Therm \$.05420

B) The Current Commodity Cost Rate as set forth on the Statement of Transportation Rate Adjustment will apply as detailed in Rule 17.3.1 of this rate schedule. The resulting rate will be adjusted by the Factor of Adjustment as defined in Rule 17.1. The calculation of the Commodity Cost Rate will be shown on the Derivation of Monthly Gas Commodity Cost Statement (Appendix 7H) for the corresponding calendar month.

Contract Demand

Customers taking service under S.C. No. 8, and electing standby service, will pay Contract Demand Charges for daily contract demand nominated pursuant to Special Provision K, below.

a. Daily Contract Demand Charge -- The Daily Contract Demand charge will be equal to the effective Daily Contract Demand Rate per Therm times the Customer's Daily Elected Contract Demand in Therms.

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