

..DID: 8679
..TXT: PSC NO: 218 GAS LEAF: 206.23
COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 05/16/99 SUPERSEDING REVISION:
STAMPS: Issued in Compliance with order of PSC in C. 98-G-0122 dated 03/17/99.
RECEIVED: 05/15/99 STATUS: Effective EFFECTIVE: 05/16/99
SERVICE CLASSIFICATION NO. 14
GAS TRANSPORTATION SERVICE FOR DUAL FUEL ELECTRIC GENERATORS

Special Provisions (continued)

L. Force Majeure (continued)

e. Settlement of Labor Disputes - Settlement of strikes and lockouts will be entirely within the discretion of the party affected, and the requirements that any event of Force Majeure will be remedied with all reasonable dispatch will not require the settlement of strikes and lockouts by acceding to the demands of the parties directly or indirectly involved in such strikes or lockouts when such course is inadvisable in the discretion of the party having such difficulty.

M. Security

1. Obligation to Provide Security

The Company may require a deposit as set forth in General Information Rule No. 2.4.2.1 of this Tariff. If a Customer taking service under this Service Classification does not have a minimum "BBB" rating from Standard and Poors or Fitch coupled with 24 months of good payment history with the Company, the following security requirements should apply.

Customer shall provide and maintain firm security satisfactory in form and content to Niagara Mohawk, in the form of cash or a Letter of Credit, in an amount sufficient to guarantee payment for sixty (60) days of service under this Service Classification, including the provisions identified in Special Provisions - Price and Payment. If there is a change in the charges assessed under this Service Classification or service that would change the amount to be covered by such security, Customer will be required to adjust the amount of security within thirty (30) Days.

2. Requirements of letter of Credit

In the event Customer elects to post firm security in the form of a Letter of Credit:

a. Letter of credit shall mean an irrevocable Letter of Credit issued by a financial institution selected by Customer and acceptable to Niagara Mohawk, which financial institution shall have at least an A rating;

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