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 ..TXT: PSC NO: 218 GAS LEAF: 132
 COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0
 INITIAL EFFECTIVE DATE: 09/12/97 SUPERSEDING REVISION:
 STAMPS:
 Cancelled by 1 Rev. Leaf No. 132 Effective 11/01/1999
 RECEIVED: 07/03/97 STATUS: Cancelled EFFECTIVE: 09/12/97
 GENERAL INFORMATION

29. Cashout of Imbalances (continued)

The Commodity Cost of Gas is defined in Rule No. 17.10.

2. For overdeliveries:

MONTHLY IMBALANCE LEVEL	PAYMENT PER THERM
0 to 2%	WACCOG.
>2% to 10%	90% of WACCOG.
>10% to 15%	80% of WACCOG.
>15% to 20%	70% of WACCOG.
>20%	60% of WACCOG.

WACCOG is equal to the Weighted Average Commodity Cost of Gas as defined in Rule No. 17.10.3.1. before adjustment for the Factor of Adjustment

b. Monthly Imbalance Trading:

Aggregators operating under S.C. 11 may avoid monthly cashout charges by arranging with each other to trade offsetting monthly imbalances with other aggregators on the Niagara Mohawk system. All imbalance trading will be subject to final approval by the Company. Niagara Mohawk will endeavor to make imbalance information available to aggregators by 5:00 p.m. on the fourth business day following the close of the month. An imbalance trade, may be effectuated by written notice by all affected parties to Niagara Mohawk delivered by fax prior to 5:00 p.m. on the twelfth business day following the close of the month. The notice must include the names and authorized signatures of the trading parties, and must specifically state which party is to be assessed cashout charges for any remaining net imbalance.

Issued By: Albert J. Budney, Jr., President, Syracuse, New York