..DID: 766 ..TXT: PSC NO: 218 GAS LEAF: 177 COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0 INITIAL EFFECTIVE DATE: 09/12/97 SUPERSEDING REVISION: STAMPS: Cancelled by 1 Rev. Leaf No. 177 Effective 08/01/2000 RECEIVED: 07/03/97 STATUS: Cancelled EFFECTIVE: 09/12/97 SERVICE CLASSIFICATION NO. 9 NEGOTIATED TRANSPORTATION SERVICE (continued)

SPECIAL PROVISIONS: (continued)

H. 1) Under-Deliveries (continued)

supplemental natural gas consumption upon not less than two hours notice by telephone or otherwise to Customer. Customer agrees that if customer fails to reduce or interrupt service as ordered by the Company, the all gas taken during such period of requested interruption or reduction in excess of the amount the Customer is permitted to take shall be billed at the stated rate in effect at the time, plus an amount per Dt equal to twelve (12) times the highest demand rate in effect for gas purchased by the Company from its supplier or suppliers. Charges for supplemental service (Under-Deliveries) will be the quantity Under-Delivered times the Calendar Month Rate plus the quantity under-delivered times the Current Commodity Cost Rate. Charges for start-up service will be at the rate specified under S.C. No. 5 Interruptible Gas Transportation Service or will be the quantity used times the Calendar Month Rate plus the quantity used times the Current Commodity Cost Rate.

2) For contracts with an effective date after June 1, 1996:

Underdeliveries will be subject to a monthly cashout in accordance with Rule 29 of this tariff.

I. Over-Deliveries/Rollover Balance

1) For contracts with an effective date prior to June 1, 1996:

The Customer's aggregate consumption and deliveries to the Company's system of Customer-owned gas will be reconciled. The Customer's daily delivery quantity should be equal to daily consumption of Customer-owned gas by the Customer. All gas rolled over will be considered the first gas to be taken in the subsequent month. In addition to the rollover charges set forth herein, the Company may, at its sole discretion, terminate receipt of transportation gas until the Rollover Balance has been consumed and the Customer's account is once again in balance, if the Company determines Rollover Balances threaten its ability to meet the demands of its other Customers or is detrimental to the Company's supply economics.

a. <u>Daily Rollover Balance</u>

In the event the Customer receives on any day a quantity of Customer-owned gas in excess of the Maximum Daily Delivery Quantity, the Customer shall be subject to payment of an overrun penalty of \$1.00 per therm for each therm received in excess of the Maximum Daily Delivery Quantity.