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..TXT: PSC NO: 218 GAS LEAF: 181
COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 09/12/97 SUPERSEDING REVISION:
STAMPS:
RECEIVED: 07/03/97 STATUS: Effective EFFECTIVE: 09/12/97
SERVICE CLASSIFICATION NO. 10
NATURAL GAS VEHICLE SERVICE (continued)

RATE: (continued)

2. A minimum margin of \$0.08/Therm for Types 1 and 2 Customers and \$0.01/Therm for Type 3 Customers.
3. Applicable taxes.

TYPE 1 CUSTOMERS:

The rate shall not be greater than 80% of the System Retail Price per gallon (based on conversion ratio of 1 therm/1 CCF = .833 gallons). Under market conditions where the floor rate exceeds the ceiling rate, the floor rate will prevail.

TYPE 2 and 3 CUSTOMERS:

The rate shall not be greater than 85% of the System Retail Price per gallon (based on conversion ratio of 1 therm/1 CCF = .833 gallons). Under market conditions where the floor rate exceeds the ceiling rate, the floor rate will prevail.

The System Retail Price of Gasoline will be the average of the most recent price for regular unleaded gasoline for the Central and Capital districts obtained from the New York State Energy Office's Retail Petroleum Product Biweekly Price Survey.

STATEMENT OF NATURAL GAS VEHICLE RATES:

The rates shall be filed with the Commission not less than three days prior to the beginning of the billing period for which the rates will be effective. Such statement will be available to the public at the Company's offices at which application for service may be made and at public sale-for-resale refueling facilities.

INCREASE IN RATES AND CHARGES:

The rates and charges under this Service Classification will be increased by a tax factor pursuant to Rule 19 of this schedule.

Any federal, state and/or local taxes required to be collected by the Company on sales of natural gas for use in motor vehicles shall be charged for all sales made hereunder.

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