

..DID: 786
 ..TXT: PSC NO: 218 GAS LEAF: 159
 COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0
 INITIAL EFFECTIVE DATE: 09/12/97 SUPERSEDING REVISION:
 STAMPS:
 Cancelled by 1 Rev. Leaf No. 159 Effective 11/18/1999
 RECEIVED: 07/03/97 STATUS: Cancelled EFFECTIVE: 09/12/97
 SERVICE CLASSIFICATION NO. 7
 LOW-VOLUME FIRM GAS TRANSPORTATION SERVICE (continued)

2.1 Maximum Delivery Quantity MDQ: (continued)

Daily
 Imbalance 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 Average Commodity Cost of Gas as defined in Rule No. 17.10.3.1.

2.2 Cashout:

For customers not participating in Service Classification No. 11, any over/under-deliveries will be subject to a monthly cashout in accordance with Rule 29 of this tariff. During any period in which the Company's ability to accommodate imbalances is restricted or impaired, Niagara Mohawk may, upon eight hours' advance notice, impose a Forced Balancing Operational Flow Order ("Forced Balancing OFO"). When a Forced Balancing OFO is imposed for under-deliveries, usage by customers for whom an aggregator is providing Pooled Balancing Service must not exceed deliveries by more than 2-15% as specified in the OFO. When a Forced Balancing OFO is imposed for over-deliveries, deliveries must not exceed usage by customers for whom the aggregator is providing Pooled Balancing Service by more than 2-15% as specified in the OFO. Customers will be assessed a penalty of \$2.50 per day, per therm for imbalances that exceed the OFO limit.

STATEMENT OF TRANSPORTATION RATES:

The effective monthly rates for transportation service applicable to billings for Service Classification Nos. 5, 7, 8, 12 and 13 will be duly filed with the Public Service Commission apart from this rate schedule, not less than three (3) days prior to the first of each month. Such statement will be available to the public at the Company's offices at which application for service may be made.

INCREASE IN RATES AND CHARGES:

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

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