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COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0

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Cancelled by 1 Rev. Leaf No. 184 Effective 11/16/1998 RECEIVED: 07/03/97 STATUS: Cancelled EFFECTIVE: 09/12/97 SERVICE CLASSIFICATION NO. 11

LOAD AGGREGATION

<u>Applicability</u>

Service Classification 11 defines the terms under which eligible customers may receive Pooled Balancing Service, Balanced Aggregation Service and Basic Aggregation Service on the Niagara Mohawk system. A qualified entity may be eligible to act as an aggregator under this Service Classification.

Definitions

"<a href="Entity" means a natural person, corporation, partnership, association, or other legally recognized form of business organization.

"Maximum Peak Day Quantity" (MPDQ) - means the maximum quantity (based on 75 degree days) of gas that the customer may take on any winter day. Customers will be assigned an MPDQ in accordance with the Base and Thermal Methodology.

"Base and Thermal Methodology" - "Daily Baseload" equals the customer's average daily usage in the two months of lowest daily usage during the period of June through September. Annual Baseload equals Daily Baseload multiplied by 365. Thermal usage equals total usage during the twelve-month period minus Annual Baseload. "Degree Day Usage" equals Thermal Usage divided by the total number of degree days during the twelve month period. The Maximum Peak Day Quantity equals the product of Degree Day Usage multiplied by 75 plus Daily Baseload.

"Maximum Delivery Quantity" (MDQ) - means the maximum quantity that the aggregator/customer may deliver daily to the Company's City Gate on behalf of a customer. The MDQ is based on historical usage patterns and expected weather conditions but will in no case be higher than the MPDQ.

"Sales Service" - means service provided under Service Classification Nos. 1, 2, or 3.

Limitation on Availability

The Upstream MDQ on CNG Transmission Corp. allocated to former sales customers participating in Balanced Aggregation Service and Basic Aggregation Service is equal to the average day usage during a peak month normalized for weather. The cumulative number of customers and sales of each service class or group that may switch from sales to transportation in the first three years of the program will be limited as shown below. In no case may the total sales volumes converting to aggregation exceed the Totals indicated. Customers will be accommodated with this limitation on a first come first serve basis.

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