

..DID: 12693
..TXT: PSC NO: 218 GAS LEAF: 177
COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 08/01/00 SUPERSEDING REVISION: 0
STAMPS: Issued in Compliance with Order of PSC in C. 99-G-0336 dated 07/27/00.
RECEIVED: 07/31/00 STATUS: Effective EFFECTIVE: 08/01/00
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, all of the 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 \$25.00 per Dth of unauthorized usage. 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. 6 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 the appropriate terms of Daily Balancing under Service Classification No. 11. Customers balancing upstream of Niagara Mohawk will not be subject to Daily/Monthly Cashout under the terms of S.C. 11. Customers balancing upstream of Niagara Mohawk may not return to Daily Balancing on Niagara Mohawk..

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. Daily Rollover Balance

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.

Issued By: Darlene D. Kerr, Executive Vice President, Syracuse, New York