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COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 5  
INITIAL EFFECTIVE DATE: 08/01/00 SUPERSEDING REVISION: 4  
STAMPS: Issued in Compliance with Order of PSC in C. 99-G-0336 dated 07/27/00.  
Cancelled by 6 Rev. Leaf No. 188 Effective 12/01/2001  
RECEIVED: 07/31/00 STATUS: Cancelled EFFECTIVE: 08/01/00

SERVICE CLASSIFICATION NO. 11  
LOAD AGGREGATION (continued)

1. Daily Balancing Service (continued)

- a. Customer Eligibility. Daily Balancing Service is available to customers served under Service Classifications 5, 6, 7, 8 and 9 (contracts with effective dates before June 1, 1996 will have to amend their existing service agreements in order to participate in Daily Balancing Service). Customers under S.C. 7 must certify that they are 100% dual fuel and give up their ability to obtain future sales service under the Company's tariff. To receive Daily Balancing Service, Supplier Select Form 2 must be completed by the Customer's approved marketer and submitted to the Company electronically through the Company's web site or via fax not later than 10 calendar days prior to the month service is to commence. For a 31 day month this will be on the 22nd of the month, for a 30 day month this will be on the 21st of the month, for a 29 day month this will be on the 20th of the month and for a 28 day month on the 19th of the month.
- b. Direct Customer. To receive Daily Balancing Service the Direct Customer must complete Customer Form 1 and submit it to the Company electronically through the Company's web site or via fax not later than the 21st of the month prior to the month service is to commence.
- c. Balancing Requirements The balancing obligations of a Marketer operating a Daily Balancing Service pool are as follows:
- (i) Daily & Monthly Cashout. A Marketer will be subject to daily and monthly cashout and/or imbalance trading in accordance with Rule 29 of this tariff based on the difference between the aggregate usage of the customers in the Marketer's pool during the month and the total deliveries of gas to the Niagara Mohawk system by or on behalf of the customers in the pool during the month. Daily Balancing customers will be charged a monthly balancing rate per therm calculated in accordance with Rule 17.5.1 of this tariff multiplied by their MPDQ through December 31, 2000. Commencing January 1, 2001, Marketers will be subject to a Monthly Balancing Charge per therm of MPDQ at a rate per therm calculated in accordance with Rule 17.5 of this tariff.
- (ii) Forced Balancing Operational Flow Order. 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 underdeliveries, usage by customers for whom a Marketer is providing Daily Balancing Service must not

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