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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.

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28. Transportation and Aggregation Options (continued)

b. Existing customers receiving service under Service Classification No. 2 with an annual use of 35,000 therms or less (based on actual twelve-month historic data), who wish to participate in a transportation program must participate in Monthly Balancing as per the terms of Service Classification No. 11.

- c. Existing customers receiving service under Service Classification No. 2 with annual use greater then 35,000 and less then 50,000 therms (based on actual twelvementh historic data), who wish to participate in a transportation program, may join in Monthly Balancing or become a direct customer as per the term of Service Classification No. 11.
- d. Existing customers receiving service under Service Classification No. 2 with an annual use greater then 50,000 therms (based on actual twelve-month historic data), who wish to participate in a transportation program will be converted to service under Service Classification Nos. 7, 5 or 8 based on qualifying usage levels. These customers will have the option of electing to participate in a balancing pool or become a direct customer in either Monthly Balancing or Daily Balancing.
- e. Existing customers receiving service under Service Classification No. 3 who wish to participate in a transportation program will be converted to service under Service Classification Nos. 5, 6 or 8 based on qualifying usage levels. These customers will have the option of electing to participate in an balancing pool or become a direct customer in either Monthly Balancing or Daily Balancing.

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