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..DID:       12664
..TXT: PSC NO: 218  GAS                                    LEAF: 187.3
COMPANY: NIAGARA MOHAWK POWER CORPORATION                  REVISION: 2
INITIAL EFFECTIVE DATE: 08/01/00        SUPERSEDING REVISION: 1
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
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<center>SERVICE CLASSIFICATION NO. 11
LOAD AGGREGATION (continued)</center>

<u>Change in Supplier</u>

1.   A customer may change Marketers effective on the 1st day of any month by
      providing to the Company Supplier Select Form 2 not later than 10 calendar days
      prior to the month service is to commence. Service will not commence, however,
      until the next scheduled meter reading date. 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. Supplier Select Form 2 must be completed
      by the customer*s new Marketer and submitted to the Company electronically
      through the Company*s Web site. The Company will acknowledge receipt of Form 2
      via the "add/drop" report posted on the Company*s Web site.

<u>Load Aggregation Service</u>

Balancing Service Cost Recovery - A Marketer will be subject to a Balancing Service
Cost Recovery Rate per therm related to the recovery of $345,000 annually commencing
September 1, 2000. The recovery rate will be set forth on a statement to be filed
with the Public Service Commission apart from this rate schedule not less than three
(3) days prior to the date on which the statement is proposed to become effective.
The rate will be calculated by dividing $345,000 by the forecasted delivery volumes
for Service Classification Nos. 1, 2, 3, 5, 7 and 8 (excluding S.C. 1 and 2 customers
taking Gas Supply Service) for the period twelve months ended August 31, 2001. The
rate will be recomputed for subsequent annual twelve month ending August periods of
time. The Company will adjust the rate from time to time, for any actual over/under
recoveries.

1.   Daily Balancing Service

      Daily Balancing Service permits a Marketer to pool the usage of a group of
      eligible customers for the purpose of determining imbalances.

<center>Issued By: <u>Darlene D. Kerr, Executive Vice President, Syracuse, New York</u></center>