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..TXT: PSC NO: 218 GAS LEAF: 192
COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 7
INITIAL EFFECTIVE DATE: 10/24/02 SUPERSEDING REVISION: 6
STAMPS:
Cancelled by 8 Rev. Leaf No. 192 Effective 11/23/2002
Effective date postponed to 11/23/02. See Supplement No. 50
RECEIVED: 07/24/02 STATUS: Cancelled EFFECTIVE: 11/23/02
SERVICE CLASSIFICATION NO. 11
LOAD AGGREGATION (continued)

d. Minimum Storage Requirements (continued)

notify the Gas Marketer that it has ten (10) business days to cure the deficiency.

Each day of the ten (10) business day cure period that the Gas Marketer's storage balance is below the target level set forth above, a penalty will be assessed equal to the Minimum Storage Inventory Level Deficiency x Gas Daily DTI North Point Mid Point Average, plus \$10. On the first day of the ten (10) day cure period the Company will notify the storage operator(s) that there is a freeze on the current level of storage for that Gas Marketer and that in-place transfers out of storage will not be allowed until further notice from the Company. If the Gas Marketer cures the deficiency within the ten (10) business day cure period, the Company will waive all penalties and notify the storage operator(s) to lift the freeze on storage. In addition, if the Gas Marketer does not cure the storage deficiency within the cure period, the Company will, at its discretion, return the Gas Marketer's customers to sales service and buy the remaining inventory in the Gas Marketer's storage at the average commodity cost of gas in the Company's storage account effective with the date of the transfer.

Gas Marketers participating in the Company's Monthly Balancing Service under this Service Classification allow the Company access to Gas Marketers' storage balance information on upstream storage operator(s).

e. Termination of Sales Service

Upon commencement of Monthly Balancing Service to a customer, sales service by Niagara Mohawk will terminate and Niagara Mohawk will have no further obligation to maintain the availability of gas supplies except for residential and human needs customers. The Company will maintain availability of gas supplies for residential customers and human needs customers. Costs for maintaining such supplies will be recovered through a standby charge per MPDQ.

f. Forecast Daily Contract Quantity

Based on historic usage patterns and expected weather conditions, Niagara Mohawk will issue a Daily Contract Quantity not less than two (2) business days prior to the first day of each month establishing the quantity of gas to be

Issued By: William F. Edwards, President, Syracuse, New York