Received: 10/28/1997 Status: CANCELLED Effective Date: 11/01/1997

..DID: 1535

..TXT: PSC NO: 218 GAS STATEMENT TYPE: SCHD

COMPANY: NIAGARA MOHAWK POWER CORPORATION STATEMENT NO: 1

INITIAL EFFECTIVE DATE: 11/01/97

STAMPS:

Cancelled by Statement SCHD Number 2 Effective 12/01/1997

RECEIVED: 10/28/97 STATUS: Cancelled EFFECTIVE: 11/01/97

STATEMENT OF SCHEDULING PENALTIES

Applicable to Billings for Service Classification No. 11 Applicable to Balanced and Basic Aggregation Customers

1. **FOR UNDERDELIVERIES:**

DAILY IMBALANCE LEVEL	CHARGE PER THERM
0 to 2%	\$0.4634
>2% to 5%	\$0.5097
>5%	\$1.4634

2. **FOR OVERDELIVERIES:**

DAILY IMBALANCE LEVEL	PAYMENT PER THERM
0 to 2%	\$0.3214
>2% to 10%	\$0.2892
>10% to 15%	\$0.2571
>15% to 20%	\$0.2250
>20%	\$0.1928

Issued By: Albert J. Budney, Jr., President, Syracuse, New York