

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 06/23/08

LEAF: 153
REVISION: 2
SUPERSEDING REVISION: 1

SERVICE CLASSIFICATION NO. 8
GAS TRANSPORTATION SERVICE WITH UPSTREAM PIPELINE CAPACITY RESERVATION

APPLICABLE TO USE OF SERVICE FOR:

Firm transportation of customer-owned gas, by the Company for customers that are capable of consuming at least 1,000,000 therms annually, subject to Special Provisions hereof.

New applications for service will be accepted only if Company in its sole discretion can secure upstream assets up to nominated levels and the Company is able to service the customer on a firm basis.

CHARACTER OF SERVICE:

Delivery of customer-owned gas will be at a pressure approved by the Company. Customer-owned gas to be transported by the Company must be of pipeline quality having a minimum BTU value of 1,000 BTU per cubic foot on a dry basis. The gas quality must meet the Public Service Commission's rules and regulations regarding concentrations of hydrogen sulfide, total sulfur and ammonia. Filtration of dust and liquid hydrocarbons, and water removal will be required.

BTU ADJUSTMENT:

Customer-owned gas will be converted from volumetric measurement in CCF to therm measurement, 100,000 BTU per therm on a dry basis, if required, at the point customer-owned gas enters the Company's distribution system. The factor for converting CCF measurement to therm measurement will be as set forth in Rule 14.3.

DEFINITIONS:

For the purposes of this Service Classification, the following terms are defined below:

1. Daily Elected Contract Demand (D1 Election) means the maximum daily quantity of upstream pipeline capacity which a customer may request the Company to reserve on the customer's behalf as specified on their Application for Service Form T as set forth in the Company's Gas Transportation Operating Procedures Manual. The Customer's D1 Election may not exceed their Maximum Peak Day Quantity. The upstream pipeline capacity reserved by the Company on behalf of the customer will be released on a recallable basis, to the customer's marketer or to the direct customer.
2. Maximum Peak Day Quantity (MPDQ) - Means the maximum quantity of gas that the customer may take on any winter day. Customer's MPDQs will be calculated according to the Base and Thermal Methodology.

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