

PSC NO: 218 GAS

LEAF: 187.3

NIAGARA MOHAWK POWER CORPORATION

REVISION: 3

INITIAL EFFECTIVE DATE: 11/01/03

SUPERSEDING REVISION: 2

STAMPS: Issued in Compliance with Order of PSC in Case 02-M-0515 dated 04/24/03.

SERVICE CLASSIFICATION NO. 11
LOAD AGGREGATION (continued)Change in Supplier

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.

Load Aggregation Service

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, 8 and 12 (excluding S.C. 1, 2 and 12 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.

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