

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 08/01/03

LEAF: 161
REVISION: 0
SUPERSEDING REVISION:

**SERVICE CLASSIFICATION NO. 9
NEGOTIATED TRANSPORTATION SERVICE (CONTINUED)**

INCREASE IN RATES AND CHARGES:

The rate and charges under this Service Classification will be increased by a tax factor pursuant to Rule 19 in the **GENERAL INFORMATION** Section of the P.S.C. No. 219 Gas tariff.

TERM:

1. The initial term and renewal options shall be as provided for in the Service Agreement, but in no case less than one year.
2. Upon completion of the Term and any applicable renewal options of a customer's Service Agreement, the customer and Company may agree in writing to extend the provisions and pricing terms of its existing Service Agreement for successive one (1) year periods thereafter. Either Party may terminate the successive one (1) year period renewal option by notifying the other in writing not less than ninety (90) days prior to the completion of such renewal Term.

TERMS OF PAYMENT:

Bills are due when rendered. Full payment must be received on or before the date shown on the bill to avoid a late payment charge of one and one-half percent (1 1/2 %).

MINIMUM ANNUAL BILL:

The customer will be billed for the applicable Contract Year's Minimum Annual Delivery Quantity minus the sum of the twelve (12) Monthly Delivery Quantities plus any quantity for under delivery taken under Special Provision 7 multiplied by the then effective Company transportation rate, as per the Service Agreement. Customers whose Service Agreement provides for a demand component in addition to the variable commodity component may, at the sole discretion of the Company, be given waiver of the Minimum Annual Bill requirement under this paragraph.

SPECIAL PROVISIONS:

1. The Company will install, at the customer's expense, the necessary electronic metering equipment, acceptable to the Company, which allows the Company to monitor the customer's daily usage of gas.
2. In addition to the applicable interruptibility provisions stated in the Service Agreement, Gas transported hereunder may be interrupted due to Force Majeure emergencies to the extent of the Maximum Daily Delivery Quantity at the sole discretion of the Company at any time by prior oral or written notice to customer, and customer shall thereupon discontinue service as ordered.

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