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PSC NO: 219 GAS LEAF: 205 NIAGARA MOHAWK POWER CORPORATION REVISION: 0 INITIAL EFFECTIVE DATE: 08/01/03 SUPERSEDING REVISION:

SERVICE CLASSIFICATION NO. 11 LOAD AGGREGATION (CONTINUED)

DISCONTINUANCE OF SALES BY MARKETER TO AN INDIVIDUAL CUSTOMER: (continued)

- 5. That for Daily Balancing Customers, after the discontinuance and until a new Marketer is selected and the switch is completed, the customer will remain on Daily Balancing Service as provided for in Service Classification No. 11.
- 2. The discontinuance of a Marketer's Service to a customer will not be deemed effective until the date the Company obtains its next actual meter reading of the customer's meter according to the Company's regular meter reading schedule.
- 3. If the Marketer does not give the required notice to the customer and to the Company, the Marketer may be determined ineligible by the PSC to sell electricity or natural gas to retail customers in the State of New York and/or may be assessed a monetary penalty by the PSC.
- 4. If after receiving a Marketer's written termination notice, the customer has not contacted the Company or another Marketer during the 15 calendar day period. The customer will receive Sales Service from the Company once again effective as of the next actual meter reading.
- 5. Upon receipt of a completed Supplier Select Form 2 from a subsequent Marketer following the discontinuance notice, the Company will verify the intended switch with the customer in accordance with this Service Classification.
- 6. A sample copy of the notice to the customer under this process shall be provided to the DPS for review at least 5 calendar days before the letter is sent to the customer.

INVOLUNTARY DISCONTINUANCE OF A MARKETER'S PARTICIPATION IN THE SUPPLIER SELECT PROGRAM:

- 1. The Company may suspend or discontinue a Marketer immediately if an imminent risk exists that compromises the safety or operational reliability of the Company's distribution system. Notices will be sent to affected customers in accordance with this Service Classification.
- 2. The Company will have the right to initiate a process to discontinue a Marketer's participation in the Company's Supplier Select Program on any one or more of the following grounds:
 - A. Where the Company determines that it is necessary or desirable for safety or for system reliability reasons (including but not limited to, the proper scheduling and delivery of natural gas to meet the needs of its customers). Improper scheduling is a basis for discontinuance where:
 - 1. Actual scheduled Marketer deliveries are less than 75% of the Marketer's day ahead forecast nomination requirements for 3 consecutive days.

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