

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 02/19/04

LEAF: 184
REVISION: 4
SUPERSEDING REVISION: 3
(REVISION 2 PENDING)

STAMPS: Issued in Compliance with Order of PSC in Case 98-M-1343 dated 11/21/03.

**SERVICE CLASSIFICATION NO. 11
LOAD AGGREGATION (CONTINUED)**

LOAD AGGREGATION SERVICE: (continued)

11. Storage Transfer for Customers Migrating After September 1, 2000:

Niagara Mohawk will transfer storage inventory to each Marketer participating in Monthly Balancing on behalf of customers migrating from sales service after September 1, 2000. The amount of storage gas to be transferred will represent one seventh of the winter storage requirement (based on the months November through March) for each month from April through October and then reduced by 10% for effective December 1st, 24% effective January 1, February 1 and March 1 and 18% effective April 1. (See Table Below for Storage Inventory Transfers). The Storage Gas Transfer Rate for customers migrating after September 1, 2000 will be the sum of (1) Niagara Mohawk's estimated average commodity cost of gas in storage, plus (2) the Demand Transfer Recovery Rate (DTR Rate). The Storage Gas Transfer Rate will be set forth on a statement and filed with the Public Service Commission not less than three (3) days before its effective date. As an example, if a customer selects a Marketer on September 10, 2000, the Marketer will pay the Storage Gas Transfer Rate which is equal to the effective DTR Rate for September plus Niagara Mohawk's estimated average cost of gas in storage as of September 30, 2000 on six sevenths of the storage inventory transfer. The storage transfer would take place and the Marketer would begin serving the customer as of October 1, 2000.

Storage Inventory Transfer Schedule		
Apr 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	0%
May 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	14.3%
Jun 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	28.6%
Jul 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	42.9%
Aug 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	57.1%
Sept 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	71.4%
Oct 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	85.7%
Nov 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	100%
Dec 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	90%
Jan 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	66%
Feb 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	42%
Mar 1	((New Enrollments from Sales Service-MPDQ) x 55%) x 51.6 days) x	18%

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