

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 01/01/04
STAMPS: Issued in Compliance with Order of PSC in Case 02-M-0515 dated 12/03/03.

LEAF: 215.3
REVISION: 0
SUPERSEDING REVISION:

**SERVICE CLASSIFICATION NO. 12
DISTRIBUTED GENERATION SERVICE – NON-RESIDENTIAL (CONTINUED)**

APPROVED REMOTE METERING:

All service rendered hereunder shall be metered separately from any other gas service provided to customers at the customer's location.

All Daily Balancing customers served under Service Classification No. 12 shall have an Approved Remote Meter installed and operable as set forth in Rule 13.5. All other Service Classification No. 12 customers (Sales Service/Monthly Balancing customers) may, at the Company's sole discretion, have Approved Remote Meters installed by the Company at the Company's expense.

BALANCING:

Customers electing delivery only service under Service Classification No. 12 must participate in Daily Balancing Service under Service Classification No. 11. Daily Balancing is subject to daily and monthly cashout and/or imbalance trading in accordance with Rule 29 of this tariff.

Customers electing commodity service who subsequently elect to migrate to an alternate supplier must participate in Monthly Balancing Service under Service Classification No. 11.

BTU ADJUSTMENT:

Volumes of gas registered at the customer's meter, in CCF, will be adjusted for BTU content, in Therms, as stated in Rule 14.3.

INCREASE IN RATES AND CHARGES:

The rates and charges under this Service Classification will be increased by a tax factor pursuant to Rule 19 of this tariff.

TERMS OF PAYMENT:

Bills are due and payable. 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%) pursuant to Rule 15.2.

TERM:

One year initially, and renewable on a year-to-year basis thereafter. Cancellation requires written notice by the Company or customer thirty days prior to the expiration of the annual term of service. Customers not meeting the minimum load factor requirement for this service class after a period of one year will be removed from the service class, on the next scheduled read date, for at least a one year period. Customers submitting proof of mitigating circumstances, as solely determined by the Company, will be allowed to remain on Service Classification No. 12, but will be subject to an additional review after the subsequent twelve month period.

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