

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 01/21/05
STAMPS: Issued in Compliance with Order of PSC in Case 02-M-0515 dated 08/04/04.

LEAF: 216
REVISION: 2
SUPERSEDING REVISION: 1

**SERVICE CLASSIFICATION NO. 13
DISTRIBUTED GENERATION SERVICE – RESIDENTIAL**

APPLICABLE TO USE OF SERVICE FOR:

Residential purpose customers using Distributed Generation technologies who would otherwise qualify for service under Service Classification No. 1 of this rate schedule. Service under this rate schedule is not available to customers eligible for service provided under Rule 18 of this rate schedule. Distributed Generation technologies for Residential Service include but are not limited to, fuel cells and micro-turbines used to generate electricity for domestic services. Service is firm service and is applicable to base-load DG units. Service is not available to DG units operating on a peaking basis. The Distributed Generation technologies must be installed and fully operable before taking service under Service Classification No. 13.

CHARACTER OF SERVICE:

Customers Purchasing Gas Supply from an Alternate Supplier:

Delivery of customer-owned gas, pipeline quality, on a firm basis from a receipt point within the Company's service territory to which this schedule applies to the facilities at the customer's existing delivery point, as specified in the customer's Application for Firm Transportation Service. Customer-owned gas to be transported by the Company must have a minimum BTU value of 1,000 British Thermal Units per cubic foot on a dry basis. The gas quality must meet the Public Service Commission's rules and regulations regarding concentrations of hydrogen sulfide, total sulfur and ammonia. Filtration of dust and liquid hydrocarbons, and water removal will be required. Delivery pressure will be determined at the sole discretion of the Company but will not be less than four (4) inches, water column.

Customers Purchasing Gas Supply from Niagara Mohawk:

Continuous, natural gas or a mixture of natural gas and other gas of not less than 1,000 British Thermal Units per cubic foot on a dry basis. Delivery pressure will be determined at the sole discretion of the Company but will not be less than four (4) inches, water column. The Company reserves the right to reject any application for service under this Service Classification where, in the sole discretion of the Company, the provision of service would require the purchase of incremental capacity on the transmission system of its pipeline suppliers.

MONTHLY DELIVERY SERVICE RATES:

| <u>Monthly Rate</u> | <u>Delivery Service Rate</u> |
|--|------------------------------|
| First 3 Therms or Less per Month per Meter | \$25.43 |
| Over 3 Therms per Therm | \$.0583 |

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