..DID: 18079 ..TXT: PSC NO: 218 GAS LEAF: 34.2 COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 4 INITIAL EFFECTIVE DATE: 04/01/02 SUPERSEDING REVISION: 3 STAMPS: Issued in Compliance with order of PSC in C. 00-G-0996 dated 10/31/01. RECEIVED: 01/09/02 STATUS: Effective EFFECTIVE: 04/01/02 GENERAL INFORMATION

- 3.4.3 Ten (10) days of alternate fuel requirement for S.C. 4 and S.C. 6 customers will be computed by determining the customer's average monthly gas usage in therms for the winter period November through March based on the prior three (3) winter seasons. If 3 years of data is not available, a shorter period of time may be used. This monthly average monthly consumption will then be divided by 30 and then multiplied by 10 days. The resulting therms will then be converted to gallons by dividing by the appropriate conversion factor. If no customer history exists, the estimated winter season gas usage in therms provided by the customer will be utilized.
 - 3.4.3.1 Five (5) days of alternate fuel requirement for S.C. 9 and S.C. 14 customers as set forth in rule 3.4.2 will be computed by using the customer's Maximum Winter Burn on a daily basis. The Maximum Winter Burn shall be equal to the customer's maximum daily delivery quantity set forth in the customer's service agreement.
 - 3.4.3.2 The customer shall have the ability to request a revision to the alternate fuel requirement as computed in this paragraph, if the customer can demonstrate to the Company's satisfaction that it can support a different alternate fuel requirement. The Company shall, however, have the sole discretion to accept any requested revisions.
- 3.4.4 Additional Charges for Non Compliance
 - 3.4.4.1 If the customer fails to meet the requirements of Rule 3.4.1, 3.4.2, and Rule 3.5 below, as of November 1 of each heating season or becomes noncompliant during the winter period, the customer will be billed an additional charge for the billing period during which the noncompliance becomes known and any subsequent periods during which the noncompliance continues.

Issued By: <u>Darlene D. Kerr, Executive Vice President, Syracuse, New York</u>