..DID: 12968 ..TXT: PSC NO: 218 GAS LEAF: 34 COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 3 INITIAL EFFECTIVE DATE: 10/01/00 SUPERSEDING REVISION: 2 STAMPS: Issued in Compliance with order of PSC in C. 00-G-0996 dated 08/24/00. RECEIVED: 09/01/00 STATUS: Effective EFFECTIVE: 10/01/00 GENERAL INFORMATION

3.2.2 (continued)

Niagara Mohawk will curtail deliveries to that customer or pool of customers in accordance with the curtailment plan provided by their supplier. To the extent that supplier's customers take volumes in excess of nominated and delivered volumes, balancing and penalty charges of Rule 3.4.1 will be applicable. If the supplier does not provide a curtailment plan, Niagara Mohawk will use its discretion to curtail customers of that supplier.

3.3 Penalty Charges for Failure to Curtail During Periods of Interruption

If a customer has been directed to curtail consumption, by telephone or otherwise, and refuses to comply with the directed reductions, sales customers may be subject to an additional charge of \$25 per Dth of unauthorized usage; and non-utility suppliers or delivery only customers will be subject to the incremental cost of gas, plus an additional charge of \$25 per Dth, of unauthorized usage.

3.4 Alternate Fuel Requirements

Alternate fuel requirements for S.C. 4 & S.C. 6 customers with nondistillate alternate fuels consisting of #4 fuel oil, #6 fuel oil, and propane are covered under existing Rule 3.1.2. S.C. 4 & S.C. 6 customers with distillate alternate fuels consisting of diesel, kerosene or No. 2 fuel oil and Human Needs Customers will be subject to the following alternate fuel requirements:

3.4.1 S.C. 4 & S.C. 6 customers utilizing distillate alternate fuels and Human Needs Customers must maintain 10 days of provable storage capacity and alternate fuel except when the conditions covered under 3.4.1.1 and 3.4.1.2 below occur.

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