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COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 7
INITIAL EFFECTIVE DATE: 11/01/99 SUPERSEDING REVISION: 6
STAMPS: Issued in Compliance with order in C. 99-G-0170 et.al. dated 10/15/99.
Cancelled by 8 Rev. Leaf No. 191 Effective 04/12/2000
RECEIVED: 10/29/99 STATUS: Cancelled EFFECTIVE: 11/01/99

SERVICE CLASSIFICATION NO. 11
LOAD AGGREGATION (continued)

b. Standby Capacity Service. (continued)

Such Primary Firm Capacity will be released to the Marketer at Maximum Demand Rates for the entire calendar month in which the standby capacity service was requested.

If the Marketer requires Standby Sales Service during the 48 hour interval as referenced above prior to the release of Primary Firm Capacity, Niagara Mohawk will provide Standby Sales Service at rates specified for Daily Scheduling Charges applicable to underdeliveries of the Company's Balanced and Basic Programs. If the Marketer fails to meet its Daily Contract Quantity (DCQ) and does not notify Niagara Mohawk of its need for Primary Firm Capacity, the Marketer will automatically be assigned Primary Firm Capacity within 48 Niagara Mohawk business day hours of its failure to meet its AFO.

c. Verification of Primary Capacity.

The Marketer must demonstrate ownership of nonrecallable primary firm delivery capacity or supply for the five month winter period November through March by providing Niagara Mohawk an affidavit by the 25th of the month preceding the month of service. this affidavit will allow the Marketer to choose one of the following: 1) CNG non-recallable primary firm delivery capacity or supply, 2) Empire non-recallable primary firm delivery capacity or supply, 3) Niagara Mohawk's assigned CNG capacity or 4) Niagara Mohawk's Standby Capacity Service. In all cases, the volume must be equal to the Marketer's Upstream Maximum Daily Quantity (UMDQ).

d. Release of Capacity. All CNG capacity allocated to the Balanced Aggregation Service customers of a single Marketer will be released by Niagara Mohawk to the Marketer on behalf of the customer in a prearranged capacity release transaction at maximum demand rates in accordance with the capacity release provisions of the tariffs of the applicable pipelines. The term of each such release will be up to one year. All releases will be made subject to the following conditions: (1) the capacity is recallable by Niagara Mohawk when a customer elects to change aggregators; (2) the capacity is recallable by Niagara Mohawk when an aggregator fails to perform its obligations under this tariff; (3) the capacity is recallable by Niagara Mohawk when an Marketer ceases to meet the credit or security requirements of this service classification; and (4) the capacity is recallable by Niagara Mohawk if the Customer discontinues service under this Service Classification.

e. Termination of Sales Service. Upon commencement of Balanced Aggregation Service to a customer, sales service by Niagara Mohawk will terminate and Niagara Mohawk will have no further obligation to maintain the availability of gas supplies for the non-residential Customer. The Company will maintain availability of gas supplies for residential customers. Costs for maintaining such supplies will be recovered as a standby charge per MPDQ.

Issued By: Darlene D. Kerr, Executive Vice President, Syracuse, New York