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COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 6
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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 Aggregator Flow Order (AFO) 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. Any Marketer that demonstrates that it has sufficient non-recallable primary firm capacity or supply on CNG or Empire delivered to Niagara Mohawk's system will not be required to take a mandatory assignment of Niagara Mohawk's CNG Capacity. The Marketer must demonstrate ownership of non-recallable primary firm capacity or supply by providing a CNG contract number that can be verified with CNG to be non-recallable primary firm delivery to Niagara Mohawk by the 25th of the month preceding the month of service. If the Marketer has non-recallable primary firm capacity or supply on Empire delivered to Niagara Mohawk's system, the Marketer must demonstrate ownership of that capacity by providing an affidavit by the 25th of the month preceding the month of service. If a firm contract number or affidavit is not provided to the Company by the required date, CNG capacity will be released to the Marketer per the terms of this service classification. The amount of capacity allocated to the customer, called the customer's "Upstream MDQ" will be determined in accordance with Special Condition A of this Service Classification. All balancing will be provided by Niagara Mohawk. Delivery service to Balanced Aggregation customers will be provided as set forth in Rule 28 of this schedule.

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