

..DID: 12694
..TXT: PSC NO: 218 GAS LEAF: 178
COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 1
INITIAL EFFECTIVE DATE: 08/01/00 SUPERSEDING REVISION: 0
STAMPS: Issued in Compliance with Order of PSC in C. 99-G-0336 dated 07/27/00.
RECEIVED: 07/31/00 STATUS: Effective EFFECTIVE: 08/01/00
SERVICE CLASSIFICATION NO. 9
NEGOTIATED TRANSPORTATION SERVICE (continued)

SPECIAL PROVISIONS: (continued)

I. Over-Deliveries/Rollover Balance (continued)

b. Monthly Rollover Balance

The customer may be allowed a Rollover Balance up to five (5) percent of the customer's aggregate monthly consumption without penalty.

The customer will be assessed a Rollover charge for any volumes in excess of the allowed Rollover Balance. The Rollover charge shall be as stated in the Service Agreement but in no event be less than the greater of:

- 1) Two times the then effective 100% load factor base rate per therm resulting from the rates as stated in the Service Agreement;
- or-
- 2) \$.10 per therm.

2) For contracts with an effective date after June 1, 1996:

Overdeliveries will be subject to the applicable terms of Daily Balancing of Service Classification No. 11 of this tariff. customers balancing upstream of Niagara Mohawk will not be subject to Daily/Monthly Cashout under the terms of S.C. 11. Customers balancing upstream of Niagara Mohawk may not return to the Company's Daily Balancing Program.

J. As between the Company and the customer, the Company shall be deemed to be in control and possession of the gas to be transported hereunder upon receipt of such gas at the receipt point and until it has been delivered at the Delivery Point. The customer shall be deemed to be in possession and control of the gas prior to such receipt by the Company and after such delivery to the customer. Title to gas transported under the Service Agreement will, at all times, vest in customer.

K. Each customer under this Service Classification warrants that it will, at the time it delivers gas to the Company for transportation, have good and merchantable title to all such gas free and clear of all liens, encumbrances and claims whatsoever. The customer shall indemnify the Company and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising out of the adverse claims of any or all persons to said gas including claims for any royalties, taxes, license fees or charges applicable to such gas or to the delivery of such gas to the Company for transportation.

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