Received: 07/30/2010

Status: CANCELLED Effective Date: 01/01/2011

PSC NO: 219 GAS STATEMENT TYPE: RDM NIAGARA MOHAWK POWER CORPORATION STATEMENT NO: 3

INITIAL EFFECTIVE DATE: 01/01/11

STAMPS: Issued in Compliance with Order of PSC in Case 08-G-0609 dated 05/15/09.

STATEMENT OF REVENUE DECOUPLING

Applicable to Service Classification Nos. 1, 2 and 7

ANNUAL SURCHARGE/CREDIT PER CUSTOMER IN ACCORDANCE WITH SECTION 2.2.5 OF THE JOINT PROPOSAL IN CASE 08-G-0609

	<u>\$ per therm</u>	
act by the state of the state o	Φ.	00245
SC1 Residential Non Heat	\$.00245
SC1 Residential Heat	\$.00245
SC2 Residential	\$.01428
SC2 Commercial	\$.01428
SC2 Industrial	\$.01428
SC7	\$.00293

<u>ANNUAL REVENUE PER CUSTOMER FACTORS IN ACCORDANCE WITH SECTION</u> 2.2.5 OF THE JOINT PROPOSAL IN CASE 08-G-0609

	RPC Factors As of 6/1/10	
SC1 Residential Non Heat	\$ 218.97	
SC1 Residential Heat	\$ 417.42	
SC2 Residential	\$ 979.19	
SC2 Commercial	\$ 1,268.40	
SC2 Industrial	\$ 3,246.65	
SC7	\$12,576.64	

Note: SC1 Residential Non Heat and SC1 Residential Heat have been adjusted to reflect the results of the Company's review of the customer classifications required by Section 2.2.5 of the Company's Joint Proposal in Case 08-G-0609.

III Case 08-G-0009.

Issued By: Thomas B. King, President, Syracuse, New York