

PSC NO: 219 GAS
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: 7/01/07

STATEMENT TYPE: MCG
 STATEMENT NO: 49
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MONTHLY COST OF GAS STATEMENT
Applicable to Billing for Service Classification Nos. 1 & 2

| | <u>SC1</u> <u>Per Therm</u> | SC2 Residential & Commercial <u>Per Therm</u> | SC2 Industrial <u>Per Therm</u> |
|---|--------------------------------|--|---------------------------------------|
| As determined on June 27, 2007 | | | |
| Supplier rates in effect on July 1, 2007 | | | |
| Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3: | \$0.723679 | \$0.723679 | \$0.723679 |
| Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4: | \$0.066520 | \$0.065202 | \$0.065861 |
| Total Weighted Average Cost of Gas Per Therm: | \$0.790198 | \$0.788881 | \$0.789540 |
| Factor of Adjustment: | 1.017600 | 1.017600 | 1.017600 |
| Resulting Monthly Cost Adjustment is: | \$0.80410 | \$0.80276 | \$0.80343 |
| Reconciliation of Gas Cost Recoveries to Gas Costs Incurred Applicable to Period: Twelve Months Ending 8/31/2006 - Refund Effective: 1/1/2007 through 12/31/2007 | \$(0.01200) | \$(0.01200) | \$(0.01200) |
| TOTAL EFFECTIVE MONTHLY COST OF GAS: Commencing with usage on or after the effective date of this statement and thereafter until changed. | \$0.79210 | \$0.79076 | \$0.79143 |
| Effective Merchant Function Charge: | \$0.02222 | \$0.02222 | \$0.02222 |

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MONTHLY COST OF GAS STATEMENT
Applicable to Billing for Service Classification No. 3

| | SC3 Large Comm. & Industrial Per Therm | SC3 MCG Applicable to Ratchet Usage Per Therm | SC3 MCG Applicable to Metered Usage Per Therm |
|--|---|--|--|
| As determined on June 27, 2007 | | | |
| Supplier rates in effect on July 1, 2007 | | | |
| Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3: | \$0.723679 | | |
| Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4: | \$0.052689 | | |
| Total Weighted Average Cost of Gas Per Therm: | \$0.776367 | | |
| Factor of Adjustment: | 1.017600 | | |
| Resulting Monthly Cost Adjustment is: | \$0.79003 | | |
| Reconciliation of Gas Cost Recoveries to Gas Costs Incurred Applicable to Period: Twelve Months Ending 8/31/2006 - Refund Effective: 1/1/2007 through 12/31/2007 | \$ (0.01200) | | |
| TOTAL EFFECTIVE MONTHLY COST OF GAS: Commencing with usage on or after the effective date of this statement and thereafter until changed. | \$0.77803 | \$0.25269 | \$0.52534 |
| Effective Merchant Function Charge: | \$0.00000 | \$0.00000 | \$0.00000 |

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MONTHLY COST OF GAS STATEMENT
Applicable to Billing for Service Classification Nos. 12 & 13
Distributed Generation

| | SC12 Distributed Generation Non-Residential <u>Per Therm</u> | SC13 Distributed Generation Residential <u>Per Therm</u> |
|--|--|--|
| As determined on June 27, 2007 | | |
| Supplier rates in effect on July 1, 2007 | | |
| Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3: | \$0.723679 | \$0.723679 |
| Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4: | \$0.020417 | \$0.037541 |
| Total Weighted Average Cost of Gas Per Therm: | \$0.744095 | \$0.761219 |
| Factor of Adjustment: | 1.017600 | 1.017600 |
| Resulting Monthly Cost Adjustment is: | \$0.75719 | \$0.77461 |
| Reconciliation of Gas Cost Recoveries to Gas Costs Incurred Applicable to Period: Twelve Months Ending 8/31/2006 - Refund Effective: 1/1/2007 through 12/31/2007 | \$(0.01200) | \$(0.01200) |
| TOTAL EFFECTIVE MONTHLY COST OF GAS: Commencing with usage on or after the effective date of this statement and thereafter until changed. | \$0.74519 | \$0.76261 |
| Effective Merchant Function Charge: | \$0.02222 | \$0.02222 |

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