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PSC NO: 219 GAS NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: 09/01/07 STATEMENT TYPE: BSC STATEMENT NO: 6 PAGE 1 OF 1

STATEMENT OF BALANCING SERVICES COST RECOVERY

Effective to Billing Commencing September 1, 2007 Applicable to Billing for Service Classification No. 11

Pursuant to Service Classification No. 11 of Niagara Mohawk Power Corporation's PSC No. 219, the balancing service cost recovery rate shall be:

The estimated 12 month operating and maintenance cost: \$345,000

Prior year (over)/under recovery (Period 9/1/2006-8/31/2007): (\$29,148)

Total 12 month operating and maintenance cost: \$315,852

Throughput forecast for twelve months ending August 31, 2008 for SC-5 Firm, SC-7, SC-8, SC-12, SC-13 Transport, SC-1 Delivery Service and SC-2 Delivery Service of:

432,527,161

Per Therm

RESULTING IN THE:
TOTAL EFFECTIVE BALANCING SERVICES COST RECOVERY RATE

\$0.00073

Issued By: William F. Edwards, President, Syracuse, New York