

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 06/23/08

STATEMENT TYPE: MFC
STATEMENT NO: 1

MERCHANT FUNCTION CHARGE

Effective With Usage During Billing Period Commencing June 23, 2008
Applicable to Billings Under Service Classification Nos. 1, 2, 12 and 13
Purchasing Commodity From the Company

	SC1	SC2	SC2	SC12 Distributed Generation	SC13 Distributed Generation
	Residential \$ Per Therm	Residential & Commercial \$ Per Therm	Industrial \$ Per Therm	Non-Residential \$ Per Therm	Residential \$ Per Therm
Monthly Gas Supply Charge	\$ 1.0198	\$ 1.0219	\$ 1.0203	\$ 0.9563	\$ 0.9920
Uncollectible Factor	1.8%	1.8%	1.8%	1.8%	1.8%
Uncollectible Charge	\$ 0.01836	\$ 0.01839	\$ 0.01837	\$ 0.01721	\$ 0.01786
Gas Supply Procurement	\$ 0.00192	\$ 0.00192	\$ 0.00192	\$ 0.00192	\$ 0.00192
Records and Collection Charge	\$ 0.00431	\$ 0.00431	\$ 0.00431	\$ 0.00431	\$ 0.00431
Gas Storage Inventory Carrying Charge	\$ 0.01813	\$ 0.01813	\$ 0.01813	\$ 0.01813	\$ 0.01813
Return Requirement on Gas Purchase Related Working Capital	\$ 0.00692	\$ 0.00693	\$ 0.00692	\$ 0.00649	\$ 0.00673
Total Merchant Function Charge	\$ 0.04963	\$ 0.04969	\$ 0.04965	\$ 0.04806	\$ 0.04895

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