

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 9/01/06

STATEMENT TYPE: MCG
STATEMENT NO: 39
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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 August 29, 2006			
Supplier rates in effect on September 1, 2006			
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.665521	\$0.665521	\$0.665521
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.101973	\$0.101973	\$0.097894
Total Weighted Average Cost of Gas Per Therm:	\$0.767494	\$0.767494	\$0.763415
Factor of Adjustment:	1.017600	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.78100	\$0.78100	\$0.77685
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred			
Applicable to Period: Twelve Months Ending 8/31/2005	\$(0.00546)	\$(0.00546)	\$(0.00546)
Surcharge Effective: 1/1/2006 through 12/31/2006			
TOTAL EFFECTIVE MONTHLY COST OF GAS: Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.77554	\$0.77554	\$0.77139
Effective Merchant Function Charge:	\$0.02222	\$0.02222	\$0.02222

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

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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 August 29, 2006			
Supplier rates in effect on September 1, 2006			
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.665521		
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.072401		
Total Weighted Average Cost of Gas Per Therm:	\$0.737922		
Factor of Adjustment:	1.017600		
Resulting Monthly Cost Adjustment is:	\$0.75090		
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred			
Applicable to Period: Twelve Months Ending 8/31/2005			
Surcharge Effective: 1/1/2006 through 12/31/2006			
	\$ (0.00546)		
TOTAL EFFECTIVE MONTHLY COST OF GAS:			
Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.74544	\$0.27240	\$0.47304
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 August 29, 2006		
Supplier rates in effect on September 1, 2006		
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.665521	\$0.665521
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.040789	\$0.059144
Total Weighted Average Cost of Gas Per Therm:	\$0.706310	\$0.724665
Factor of Adjustment:	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.71874	\$0.73741
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred		
Applicable to Period: Twelve Months Ending 8/31/2005		
Surcharge Effective: 1/1/2006 through 12/31/2006	\$(0.00546)	\$(0.00546)
TOTAL EFFECTIVE MONTHLY COST OF GAS:		
Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.71328	\$0.73195
Effective Merchant Function Charge:	\$0.02222	\$0.02222

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