

PSC NO: 219 GAS  
NIAGARA MOHAWK POWER CORPORATION  
INITIAL EFFECTIVE DATE: 6/01/06

STATEMENT TYPE: MCG  
STATEMENT NO: 36  
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**MONTHLY COST OF GAS STATEMENT**  
**Applicable to Billing for Service Classification Nos. 1 & 2**

	<u>SC1 Per Therm</u>	<u>SC2 Residential &amp; Commercial Per Therm</u>	<u>SC2 Industrial Per Therm</u>
Average Cost of Gas Per Therm as defined in Rule 17.3 of the General Information Section of PSC 219 Gas determined on May 26, 2006 using Supplier Rates Effective for the Month of June 2006:	\$0.881179	\$0.881179	\$0.877094
Factor of Adjustment:	1.017600	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.89668	\$0.89668	\$0.89253
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)	\$(0.00546)
<b>TOTAL EFFECTIVE MONTHLY COST OF GAS:</b> Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.89122	\$0.89122	\$0.88707
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
Average Cost of Gas Per Therm as defined in Rule 17.3 of the General Information Section of PSC 219 Gas determined on May 26, 2006 using Supplier Rates Effective for the Month of June 2006:	\$0.851560		
Factor of Adjustment:	1.017600		
Resulting Monthly Cost Adjustment is:	\$0.86654		
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)		
<b>TOTAL EFFECTIVE MONTHLY COST OF GAS:</b> Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.86108	\$0.27252	\$0.58856
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>
Average Cost of Gas Per Therm as defined in Rule 17.3 of the General Information Section of PSC 219 Gas determined on May 26, 2006 using Supplier Rates Effective for the Month of June 2006:	\$0.819899	\$0.838283
Factor of Adjustment:	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.83432	\$0.85303
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)
<b>TOTAL EFFECTIVE MONTHLY COST OF GAS:</b> Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.82886	\$0.84757
Effective Merchant Function Charge:	\$0.02222	\$0.02222

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