

PSC NO: 219 GAS
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: 12/01/06

STATEMENT TYPE: MCG
 STATEMENT NO: 42
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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 & <u>Commercial</u> <u>Per Therm</u>	SC2 Industrial <u>Per Therm</u>
As determined on November 28, 2006			
Supplier rates in effect on December 1, 2006			
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.852628	\$0.852628	\$0.852628
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.097375	\$0.097375	\$0.098349
Total Weighted Average Cost of Gas Per Therm:	\$0.950003	\$0.950003	\$0.950977
Factor of Adjustment:	1.017600	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.96672	\$0.96672	\$0.96771
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)
TOTAL EFFECTIVE MONTHLY COST OF GAS: Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.96126	\$0.96126	\$0.96225
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 November 28, 2006 Supplier rates in effect on December 1, 2006			
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.852628		
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.082769		
Total Weighted Average Cost of Gas Per Therm:	\$0.935397		
Factor of Adjustment:	1.017600		
Resulting Monthly Cost Adjustment is:	\$0.95185		
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.	\$0.94639	\$0.28277	\$0.66362
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 November 28, 2006 Supplier rates in effect on December 1, 2006		
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.852628	\$0.852628
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.037976	\$0.053556
Total Weighted Average Cost of Gas Per Therm:	\$0.890604	\$0.906184
Factor of Adjustment:	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.90627	\$0.92213
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.	\$0.90081	\$0.91667
Effective Merchant Function Charge:	\$0.02222	\$0.02222

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