PSC NO: 219 GAS NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: 11/01/06

STATEMENT TYPE: MCG STATEMENT NO: 41 PAGE 1 OF 3

MONTHLY COST OF GAS STATEMENT Applicable to Billing for Service Classification Nos. 1 & 2

	SC1 <u>Per Therm</u>	SC2 Residential & Commercial <u>Per Therm</u>	SC2 Industrial <u>Per Therm</u>
As determined on October 27, 2006 Supplier rates in effect on November 1, 2006			
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.865705	\$0.865705	\$0.865705
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.097952	\$0.097952	\$0.098931
Total Weighted Average Cost of Gas Per Therm:	\$0.963657	\$0.963657	\$0.964637
Factor of Adjustment:	1.017600	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.98061	\$0.98061	\$0.98161
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.	\$0.97515	\$0.97515	\$0.97615
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 <u>Per Therm</u>	SC3 MCG Applicable to Ratchet Usage <u>Per Therm</u>	SC3 MCG Applicable to Metered Usage <u>Per Therm</u>
As determined on October 27, 2006 Supplier rates in effect on November 1, 2006			
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.865705		
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.083259		
Total Weighted Average Cost of Gas Per Therm:	\$0.948964		
Factor of Adjustment:	1.017600		
Resulting Monthly Cost Adjustment is:	\$0.96566		
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.	\$0.96020	\$0.28326	\$0.67694
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 October 27, 2006 Supplier rates in effect on November 1, 2006		
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.865705	\$0.865705
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.038201	\$0.053873
Total Weighted Average Cost of Gas Per Therm:	\$0.903907	\$0.919579
Factor of Adjustment:	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.91981	\$0.93576
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.	\$0.91435	\$0.93030
Effective Merchant Function Charge:	\$0.02222	\$0.02222

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