

PSC NO: 219 GAS
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: 5/01/06

STATEMENT TYPE: MCG
 STATEMENT NO: 35
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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>
Average Cost of Gas Per Therm as defined in Rule 17.3 of the General Information Section of PSC 219 Gas determined on April 26, 2006 using Supplier Rates Effective for the Month of May 2006:	\$0.946170	\$0.946170	\$0.941996
Factor of Adjustment:	1.017600	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.96282	\$0.96282	\$0.95857
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.	\$0.95736	\$0.95736	\$0.95311
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 April 26, 2006 using Supplier Rates Effective for the Month of May 2006:	\$0.915908		
Factor of Adjustment:	1.017600		
Resulting Monthly Cost Adjustment is:	\$0.93202		
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.	\$0.92656	\$0.27409	\$0.65247
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 April 26, 2006 using Supplier Rates Effective for the Month of May 2006:	\$0.883558	\$0.902342
Factor of Adjustment:	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.89910	\$0.91822
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.	\$0.89364	\$0.91276
Effective Merchant Function Charge:	\$0.02222	\$0.02222

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