

PSC NO: 219 GAS  
 NIAGARA MOHAWK POWER CORPORATION  
 INITIAL EFFECTIVE DATE: 10/01/05

STATEMENT TYPE: MCG  
 STATEMENT NO: 28  
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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 September 29, 2005 using Supplier Rates Effective for the Month of October 2005:	\$1.258740	\$1.258740	\$1.254568
Factor of Adjustment:	1.017600	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$1.28089	\$1.28089	\$1.27664
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred Applicable to Period: Twelve Months Ending 8/31/2004 Surcharge Effective: 1/01/2005 through 12/31/2005	\$0.00498	\$0.00498	\$0.00498
<b>TOTAL EFFECTIVE MONTHLY COST OF GAS:</b> Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$1.28587	\$1.28587	\$1.28162
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
Average Cost of Gas Per Therm as defined in Rule 17.3 of the General Information Section of PSC 219 Gas determined on September 29, 2005 using Supplier Rates Effective for the Month of October 2005:	\$1.228496		
Factor of Adjustment:	1.017600		
Resulting Monthly Cost Adjustment is:	\$1.25011		
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred Applicable to Period: Twelve Months Ending 8/31/2004 Surcharge Effective: 1/01/2005 through 12/31/2005	\$0.00498		
<b>TOTAL EFFECTIVE MONTHLY COST OF GAS:</b> Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$1.25509	\$0.27405	\$0.98104
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 September 29, 2005 using Supplier Rates Effective for the Month of October 2005:	\$1.196166	\$1.214938
Factor of Adjustment:	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$1.21721	\$1.23632
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred Applicable to Period: Twelve Months Ending 8/31/2004 Surcharge Effective: 1/01/2005 through 12/31/2005	\$0.00498	\$0.00498
<b>TOTAL EFFECTIVE MONTHLY COST OF GAS:</b> Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$1.22219	\$1.24130
Effective Merchant Function Charge:	\$0.02222	\$0.02222

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