

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

STATEMENT TYPE: MFC  
 STATEMENT NO: 27  
 PAGE 1 OF 2

### MERCHANT FUNCTION CHARGE STATEMENT

**Applicable to Customers under Service Classification Nos. 1, 2, 12 and 13**

Effective with usage on or after the effective date of this statement and thereafter until changed

	SC1 Residential Per Therm	SC2 Residential & Commercial Per Therm	SC2 Industrial Per Therm
Monthly Cost of Gas for June 1, 2011	\$0.59561	\$0.59561	\$0.59561
Uncollectible Factor	<u>2.30%</u>	<u>0.30%</u>	<u>0.30%</u>
Commodity Related Uncollectible Charge (Monthly Cost of Gas * Uncollectible Factor)	\$0.01370	\$0.00179	\$0.00179
Gas Supply Procurement Charge	\$0.00263	\$0.00263	\$0.00263
Commodity Related Credit and Collections Charge	\$0.00419	\$0.00419	\$0.00419
Return Requirement on Gas Storage Inventory	\$0.00984	\$0.00984	\$0.00984
<b>Total Merchant Function Charge</b>	<b>\$0.03036</b>	<b>\$0.01845</b>	<b>\$0.01845</b>

Issued by: Thomas B. King, President, Syracuse, New York

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

STATEMENT TYPE: MFC  
STATEMENT NO: 27  
PAGE 2 OF 2

**MERCHANT FUNCTION CHARGE STATEMENT**

**Applicable to Customers under Service Classification Nos. 1, 2, 12 and 13**

Effective with usage on or after the effective date of this statement and thereafter until changed

	<b>SC12</b> <b>Distributed Generation</b> <b>Non-Residential</b> <b><u>Per Therm</u></b>	<b>SC13</b> <b>Distributed Generation</b> <b>Residential</b> <b><u>Per Therm</u></b>
Monthly Cost of Gas for June 1, 2011	\$0.55798	\$0.56785
Uncollectible Factor	<b><u>0.30%</u></b>	<b><u>0.30%</u></b>
Commodity Related Uncollectible Charge (Monthly Cost of Gas * Uncollectible Factor)	\$0.00167	\$0.00170
Gas Supply Procurement Charge	\$0.00263	\$0.00263
Commodity Related Credit and Collections Charge	\$0.00419	\$0.00419
Return Requirement on Gas Storage Inventory	\$0.00984	\$0.00984
<b>Total Merchant Function Charge</b>	<b>\$0.01833</b>	<b>\$0.01836</b>

Issued by: Thomas B. King, President, Syracuse, New York