

PSC NO: 219 GAS
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: 09/01/10

STATEMENT TYPE: MFC
 STATEMENT NO: 18
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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 September 1, 2010	\$0.45747	\$0.45747	\$0.44728
Uncollectible Factor	<u>2.30%</u>	<u>0.30%</u>	<u>0.30%</u>
Commodity Related Uncollectible Charge (Monthly Cost of Gas * Uncollectible Factor)	\$0.01052	\$0.00137	\$0.00134
Gas Supply Procurement Charge	\$0.00231	\$0.00231	\$0.00231
Commodity Related Credit and Collections Charge	\$0.00419	\$0.00419	\$0.00419
Return Requirement on Gas Storage Inventory	\$0.01034	\$0.01034	\$0.01034
Total Merchant Function Charge	\$0.02736	\$0.01821	\$0.01818

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

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	SC12 Distributed Generation Non-Residential <u>Per Therm</u>	SC13 Distributed Generation Residential <u>Per Therm</u>
Monthly Cost of Gas for September 1, 2010	\$0.41397	\$0.42756
Uncollectible Factor	<u>0.30%</u>	<u>0.30%</u>
Commodity Related Uncollectible Charge (Monthly Cost of Gas * Uncollectible Factor)	\$0.00124	\$0.00128
Gas Supply Procurement Charge	\$0.00231	\$0.00231
Commodity Related Credit and Collections Charge	\$0.00419	\$0.00419
Return Requirement on Gas Storage Inventory	\$0.01034	\$0.01034
Total Merchant Function Charge	\$0.01808	\$0.01812

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