Received: 11/23/1998 Status: CANCELLED Effective Date: 12/01/1998

..DID: 6030

..TXT: PSC NO: 218 GAS STATEMENT TYPE: IRS

COMPANY: NIAGARA MOHAWK POWER CORPORATION STATEMENT NO: 17

INITIAL EFFECTIVE DATE: 12/01/98

STAMPS:

Cancelled by Statement IRS Number 18 Effective 01/01/1999

RECEIVED: 11/23/98 STATUS: Cancelled EFFECTIVE: 12/01/98

INTERRUPTIBLE RATE STATEMENT

Applicable to Billings for Service Classification No. 4

(Inclusive of both Niagara Mohawk and former NM Suburban Gas Inc. Customers)

Per Dt

Calendar Month Rate: \$2.70

(Not less than the Adjusted Commodity Cost of Gas and not more than the Firm Gas Price)

Adjusted Commodity Cost of Gas:

Average Commodity Cost \$2.2058 Adjusted for \$0.10 \$2.3058

Equivalent Gas - Oil Price:

Average No. 6 Oil, 1.0% Sulphur \$1.84 Adjusted for 95% \$1.75

Firm Gas Price:

Tail Block P.S.C. No. 218, S.C. 3 \$4.0000 Adjusted for Commodity Cost Adjustment \$4.1460

Issued By: Albert J. Budney, Jr., President, Syracuse, New York