Received: 02/25/1998 Status: CANCELLED Effective Date: 03/01/1998

..DID: 2495

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

COMPANY: NIAGARA MOHAWK POWER CORPORATION STATEMENT NO: 7

INITIAL EFFECTIVE DATE: 03/01/98

STAMPS:

Cancelled by Statement CCAC Number 8 Effective 04/01/1998

RECEIVED: 02/25/98 STATUS: Cancelled EFFECTIVE: 03/01/98

STATEMENT OF COMMODITY COST ADJUSTMENT

Applicable to Billing for Service Classification Nos. 1, 2, & 3

Per Therm

Average Cost of Purchased Gas:

For 12 Months Ending January 31, 1998

and Supplier Rates Effective March 1, 1998: \$0.214235

Base Cost of Purchased Gas: \$0.200000

Difference: \$0.014235 Factor of Adjustment: 1.019100

Resulting Commodity Cost Adjustment is: \$0.01450

Reconciliation of Gas Adjustment Revenues to Gas Costs

12 Months Ending January 31, 1999 Refund Rate: (\$0.00635)

Commodity Cost Index Rate Based on period January - August 1997

Case 95-G-1095

Surcharge effective December 1, 1997 - November 30, 1998 \$0.00084

TOTAL EFFECTIVE COMMODITY COST ADJUSTMENT: \$0.00899

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