Received: 09/09/1997 Status: CANCELLED Effective Date: 09/12/1997

..DID: 1354

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

COMPANY: NIAGARA MOHAWK POWER CORPORATION STATEMENT NO: 1

INITIAL EFFECTIVE DATE: 09/12/97

STAMPS:

Cancelled by Statement IRS Number 2 Effective 10/01/1997

RECEIVED: 09/09/97 STATUS: Cancelled EFFECTIVE: 09/12/97

INTERRUPTIBLE RATE STATEMENT

Applicable to Billings for Service Classification No. 4 (Inclusive of both NMGAS and former NM Suburban Gas Inc. Customers)

	Per Dt
Calendar Month Rate:  (Not less than the Adjusted Commodity Cost of Gas and not more than the Firm Gas Price)	\$2.77
Adjusted Commodity Cost of Gas: Average Commodity Cost	\$2.4198
Average Commodity Cost *Adj for GRT 0.9575 Adjusted for \$0.10	\$2.5272 \$2.6272
Equivalent Gas - Oil Price: Average No. 6 Oil, 1.0% Sulphur Adjusted for 95%	\$2.58 \$2.45
Firm Gas Price: Tail Block P.S.C. No. 218, S.C. 3 Adjusted for Commodity Cost Adjustment *Adj for GRT 0.9575	\$4.0000 \$4.2675 \$4.4569

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