Received: 04/12/2010 Status: CANCELLED Effective Date: 05/20/2010

PSC NO: 219 GAS

NIAGARA MOHAWK POWER CORPORATION

INITIAL EFFECTIVE DATE: 05/20/10

LEAF: 124

REVISION: 7

SUPERSEDING REVISION: 6

STAMPS: Issued in Compliance with Order of PSC in Case 08-G-0609 dated 05/15/09.

SERVICE CLASSIFICATION NO. 1 RESIDENTIAL DELIVERY SERVICE AND GAS SUPPLY SERVICE OR RESIDENTIAL DELIVERY SERVICE ONLY (CONTINUED)

MONTHLY DELIVERY SERVICE RATES: (See Special Provisions)

All Customers, as described above:

First 3 Therms or less \$17.85

Next 47 Therms, per Therm \$0.41890

Over 50 Therms, per Therm \$0.06385

MONTHLY MINIMUM DELIVERY SERVICE CHARGE:

The monthly minimum delivery service charge is \$17.85 for all customers with the exception of Income Eligible Customers. Income Eligible Customers will be eligible for a credit of \$7.50 per Special Provision No. 6 on Leaf No. 127.

In addition to the minimum charge, customers may be required to pay a surcharge when service is taken from a main extension constructed in accordance with Rule 10, **GENERAL INFORMATION**.

MONTHLY COST OF GAS:

In addition to the above delivery service charges, customers purchasing their Gas Supply Service from the Company will pay the Monthly Cost of Gas per therm of gas supplied hereunder as explained in Rule 17 of this schedule.

MERCHANT FUNCTION CHARGE:

Customers purchasing their Gas Supply Service from the Company will be subject to a Merchant Function Charge hereunder as explained in General Information Rule 33 of this schedule.

SYSTEM BENEFITS CHARGE:

In addition to the above delivery service charges, all customers taking service under this service classification shall be subject to a System Benefits Charge as explained in General Information Rule 31.

INCREMENTAL STATE ASSESSMENT SURCHARGE:

In addition to the above delivery service charges, all customers taking service under this service classification shall be subject to an Incremental State Assessment Surcharge as explained in General Information Rule 35.

DELIVERY SERVICE ADJUSTMENTS:

All customers taking service under this service classification shall be subject to a Net Revenue Sharing Adjustment as explained in General Information Rule No. 26, a Research and Development Surcharge as explained in General Information Rule No. 30, a Revenue Decoupling Mechanism Adjustment as explained in General Information Rule No. 32 and a Late Payment Charge Refund/Surcharge as explained in General Information Rule No. 34.

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