

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 10/7/08

STATEMENT TYPE: CASH
STATEMENT NO: 63
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STATEMENT OF MONTHLY CASHOUT RATES
Applicable to Billings Pursuant to Rule 29 - Cashout of Imbalances
Applicable to the Month of September 2008

1. **FOR UNDERDELIVERIES:**

| Monthly Imbalance Level | All Pools < 2% Imbalance Charge Per Therm (Gas Daily CNG North Point Average) | DTI Storage Withdrawal Charge Per Therm | Applicable Cashout Rate All Pools < 2% Imbalance Charge Per Therm | All Pools > 2% Imbalance Charge Per Therm (Gas Daily CNG North Point Average) | DTI Storage Withdrawal Charge Per Therm | Applicable Cashout Rate All Pools > 2% Imbalance Charge Per Therm |
|-------------------------|---|---|---|---|---|---|
| 0 to 2% | \$0.77470 | \$0.00175 | \$0.77645 | \$0.77470 | \$0.00175 | \$0.77645 |
| > 2% | \$0.77470 | \$0.00175 | \$0.77645 | *\$0.92964 | \$0.00175 | \$0.93139 |

*120% of Gas Daily CNG North Point Mid-Point Average

2. **FOR OVERDELIVERIES:**

| Monthly Imbalance Level | All Pools < 2% Imbalance Payment Per Therm (Gas Daily CNG North Point Average) | DTI Storage Injection Payment Per Therm | Applicable Cashout Rate All Pools < 2% Imbalance Payment Per Therm | All Pools > 2% Imbalance Payment Per Therm (Gas Daily CNG North Point Average) | DTI Storage Injection Payment Per Therm | Applicable Cashout Rate All Pools > 2% Imbalance Payment Per Therm |
|-------------------------|--|---|--|--|---|--|
| 0 to 2% | \$0.77470 | \$0.00219 | \$0.77689 | \$0.77470 | \$0.00219 | \$0.77689 |
| > 2% | \$0.77470 | \$0.00219 | \$0.77689 | *\$0.61976 | \$0.00219 | \$0.62195 |

*80% of Gas Daily CNG North Point Mid-Point Average

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