

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 8/01/06

STATEMENT TYPE: MCG
STATEMENT NO: 38
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MONTHLY COST OF GAS STATEMENT
Applicable to Billing for Service Classification Nos. 1 & 2

	<u>SC1</u> <u>Per Therm</u>	SC2 Residential & Commercial <u>Per Therm</u>	SC2 Industrial <u>Per Therm</u>
As determined on July 27, 2006			
Supplier rates in effect on August 1, 2006			
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.698070	\$0.698070	\$0.698070
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.102913	\$0.102913	\$0.098796
Total Weighted Average Cost of Gas Per Therm:	\$0.800982	\$0.800982	\$0.796866
Factor of Adjustment:	1.017600	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.81507	\$0.81507	\$0.81089
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred			
Applicable to Period: Twelve Months Ending 8/31/2005	\$(0.00546)	\$(0.00546)	\$(0.00546)
Surcharge Effective: 1/1/2006 through 12/31/2006			
TOTAL EFFECTIVE MONTHLY COST OF GAS: Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.80961	\$0.80961	\$0.80543
Effective Merchant Function Charge:	\$0.02222	\$0.02222	\$0.02222

Issued By: William F. Edwards, President, Syracuse, New York

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MONTHLY COST OF GAS STATEMENT
Applicable to Billing for Service Classification No. 3

	SC3 Large Comm. & Industrial Per Therm	SC3 MCG Applicable to Ratchet Usage Per Therm	SC3 MCG Applicable to Metered Usage Per Therm
As determined on July 27, 2006			
Supplier rates in effect on August 1, 2006			
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.698070		
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.073068		
Total Weighted Average Cost of Gas Per Therm:	\$0.771138		
Factor of Adjustment:	1.017600		
Resulting Monthly Cost Adjustment is:	\$0.78471		
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred			
Applicable to Period: Twelve Months Ending 8/31/2005			
Surcharge Effective: 1/1/2006 through 12/31/2006	\$ (0.00546)		
TOTAL EFFECTIVE MONTHLY COST OF GAS:			
Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.77925	\$0.27307	\$0.50618
Effective Merchant Function Charge:	\$0.00000	\$0.00000	\$0.00000

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MONTHLY COST OF GAS STATEMENT
Applicable to Billing for Service Classification Nos. 12 & 13
Distributed Generation

	SC12 Distributed Generation Non-Residential <u>Per Therm</u>	SC13 Distributed Generation Residential <u>Per Therm</u>
As determined on July 27, 2006		
Supplier rates in effect on August 1, 2006		
Weighted Average Commodity Cost of Gas Per Therm as defined in General Information Rule 17.3.3:	\$0.698070	\$0.698070
Weighted Average Demand Cost of Gas Per Therm as defined in General Information Rule 17.3.4:	\$0.041165	\$0.059689
Total Weighted Average Cost of Gas Per Therm:	\$0.739235	\$0.757759
Factor of Adjustment:	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.75224	\$0.77109
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred		
Applicable to Period: Twelve Months Ending 8/31/2005		
Surcharge Effective: 1/1/2006 through 12/31/2006	\$(0.00546)	\$(0.00546)
TOTAL EFFECTIVE MONTHLY COST OF GAS:		
Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.74678	\$0.76563
Effective Merchant Function Charge:	\$0.02222	\$0.02222

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