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PSC NO: 219 GAS NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: 01/01/04 STATEMENT TYPE: RDS STATEMENT NO: 2 PAGE 1 OF 1

STATEMENT OF RESEARCH AND DEVELOPMENT SURCHARGE

Applicable to Billing for Firm Sales and Firm Transportation Service Classification Nos. 1, 2, 3, 5, 7, 8 & 12

Per Therm

Pursuant to Rule 30 of Niagara Mohawk Power Corporation's PSC No. 219, the Research and Development Surcharge shall be:

\$0.000347

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