PSC NO: 219 GAS NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: 10/01/03 STATEMENT TYPE: DTR STATEMENT NO: 3 PAGE 1 OF 1

Per Therm

\$0.52810

STATEMENT OF DEMAND TRANSFER RECOVERY RATE Effective to Billing Commencing October 1, 2003 Applicable to Billing for Service Classification No. 11

Pursuant to Service Classification No. 11 of Niagara Mohawk Power Corporation's PSC No. 219, the storage gas transfer rate shall be the sum of:	
(1) The Company's estimated weighted average commodity cost of gas in storage as of September 30, 2003	\$0.50288
(2) Demand Transfer Recovery Rate (DTR Rate) =	\$0.02522

RESULTING IN THE: TOTAL EFFECTIVE STORAGE TRANSFER RATE PER THERM:

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