

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 09/01/03

STATEMENT TYPE: DTR
STATEMENT NO: 2
PAGE 1 OF 1

STATEMENT OF DEMAND TRANSFER RECOVERY RATE
Effective to Billing Commencing September 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 August 31, 2003 \$0.50479

(2) Demand Transfer Recovery Rate (DTR Rate) = \$0.01806

Per Therm

RESULTING IN THE:
TOTAL EFFECTIVE STORAGE TRANSFER RATE PER THERM: \$0.52285

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