

PSC NO: 219 GAS  
 NIAGARA MOHAWK POWER CORPORATION  
 INITIAL EFFECTIVE DATE: 07/01/10

STATEMENT TYPE: MCG  
 STATEMENT NO: 86  
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**MONTHLY COST OF GAS STATEMENT**  
**Applicable to Billing for Service Classification Nos. 1 & 2**

	<b>SC1</b>	<b>SC2</b>	<b>SC2</b>
	<b>Residential &amp;</b>	<b>Commercial</b>	<b>Industrial</b>
	<b>Per Therm</b>	<b>Per Therm</b>	<b>Per Therm</b>
As determined on: June 28, 2010			
Supplier Rates in effect on: July 1, 2010			
Weighted Average Commodity Cost of Gas as defined in General Information Rule 17.3.3:	\$0.556104	\$0.556104	\$0.556104
Weighted Average Demand Cost of Gas as defined in General Information Rule 17.3.4:	\$0.066960	\$0.066960	\$0.056916
Total Weighted Average Cost of Gas:	\$0.623065	\$0.623065	\$0.613021
Factor of Adjustment:	1.016200	1.016200	1.016200
Resulting Monthly Cost Adjustment is:	\$0.633150	\$0.633150	\$0.622950
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred Applicable to Period: Twelve Months Ending 8/31/09 Refund Effective: 1/1/10 through 12/31/10	(\$0.03262)	(\$0.03262)	(\$0.03262)
<b>TOTAL EFFECTIVE MONTHLY COST OF GAS:</b>	<b>\$0.60053</b>	<b>\$0.60053</b>	<b>\$0.59033</b>
Commencing with usage on or after the effective date of this statement and thereafter until changed.			

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

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**MONTHLY COST OF GAS STATEMENT**  
**Applicable to Billing for Service Classification Nos. 3, 12 & 13**

	<b>SC3 Large Comm. &amp; Industrial Per Therm</b>	<b>SC12 Distributed Generation Non-Residential Per Therm</b>	<b>SC13 Distributed Generation Residential Per Therm</b>
As determined on: June 28, 2010			
Supplier Rates in effect on: July 1, 2010			
Weighted Average Commodity Cost of Gas as defined in General Information Rule 17.3.3:	\$0.556104	\$0.556104	\$0.556104
Weighted Average Demand Cost of Gas as defined in General Information Rule 17.3.4:	\$0.048211	\$0.024106	\$0.037498
Total Weighted Average Cost of Gas:	\$0.604316	\$0.580210	\$0.593602
Factor of Adjustment:	1.016200	1.016200	1.016200
Resulting Monthly Cost Adjustment:	\$0.614100	\$0.589600	\$0.603210
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred Applicable to Period: Twelve Months Ending 8/31/09. Refund Effective: 1/1/10 through 12/31/10	(\$0.03262)	(\$0.03262)	(\$0.03262)
<b>TOTAL EFFECTIVE MONTHLY COST OF GAS:</b>	<b>\$0.58148</b>	<b>\$0.55698</b>	<b>\$0.57059</b>
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