

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

STATEMENT TYPE: MFC  
 STATEMENT NO: 16  
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### MERCHANT FUNCTION CHARGE STATEMENT

**Applicable to Customers under Service Classification Nos. 1, 2, 12 and 13**

Effective with usage on or after the effective date of this statement and thereafter until changed

	SC1 Residential Per Therm	SC2 Residential & Commercial Per Therm	SC2 Industrial Per Therm
Monthly Cost of Gas for July 1, 2010	\$0.60053	\$0.60053	\$0.59033
Uncollectible Factor	<u>2.30%</u>	<u>0.30%</u>	<u>0.30%</u>
Commodity Related Uncollectible Charge (Monthly Cost of Gas * Uncollectible Factor)	\$0.01381	\$0.00180	\$0.00177
Gas Supply Procurement Charge	\$0.00231	\$0.00231	\$0.00231
Commodity Related Credit and Collections Charge	\$0.00419	\$0.00419	\$0.00419
Return Requirement on Gas Storage Inventory	\$0.01062	\$0.01062	\$0.01062
<b>Total Merchant Function Charge</b>	<b>\$0.03093</b>	<b>\$0.01892</b>	<b>\$0.01889</b>

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

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	<b>SC12</b> <b>Distributed Generation</b> <b>Non-Residential</b> <b><u>Per Therm</u></b>	<b>SC13</b> <b>Distributed Generation</b> <b>Residential</b> <b><u>Per Therm</u></b>
Monthly Cost of Gas for July 1, 2010	\$0.55698	\$0.57059
Uncollectible Factor	<b><u>0.30%</u></b>	<b><u>0.30%</u></b>
Commodity Related Uncollectible Charge (Monthly Cost of Gas * Uncollectible Factor)	\$0.00167	\$0.00171
Gas Supply Procurement Charge	\$0.00231	\$0.00231
Commodity Related Credit and Collections Charge	\$0.00419	\$0.00419
Return Requirement on Gas Storage Inventory	\$0.01062	\$0.01062
<b>Total Merchant Function Charge</b>	<b>\$0.01879</b>	<b>\$0.01883</b>

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