

**NIAGARA MOHAWK POWER CORPORATION
STATEMENT OF COMMODITY ADJUSTMENT CHARGE (CAC)**

**P.S.C. No. 220 - Rule 29.2
For Cost Month December 2010**

**Effective January 28, 2011 for Batch Billing
Effective February 1, 2011 for Calendar Month Billing**

Applicable to Standard Rate Service Billings Under P.S.C. No. 220 Electricity

1. Rule 29.2.1 - Total Purchased Power Costs	\$	84,180,493
2. Rule 29.2.2 - Amortized Buyout or Buy-Down Costs of IPP Contracts	\$	-
3. Rule 29.2.3 - Over Market Variable Costs	\$	(987,000)
4. Subtotal (1+2-3)	\$	85,167,493
5. Rule 29.2.4(1): Rule 46 ESS Revenues for P.S.C. No 220 and 214	\$	66,252,978
6. Rule 29.2.4(1): Ancillary Services and NTAC	\$	2,256,300
7. Rule 29.2.4(1): Rule 46 ESS Revenues Less Ancillary Services and NTAC (Lines 5-6)	\$	63,996,677
8. Rule 29.2.4(2): Delivery Charge Adjustment (DCA) Revenues (exclusive of CAC)	\$	13,484,050
9. Rule 29.2.4(3): NYPA Rural and Domestic Residential Hydro Purchase Supplies	\$	6,818,790
10. Subtotal (Lines 7+8-9)	\$	70,661,937
11. Rule 29.2.6: Wholesale Sale Revenues	\$	3,477,875
12. Subtotal (Line 10 + 11)	\$	74,139,812
13. Adjustments to Prior CAC Statements	\$	-
14. Total Amount to Be (Refunded)/Collected (Lines 4-12+13)	\$	11,027,681
15. Actual Amount to Be (Refunded)/Collected	\$	2,971,155
16. Total Amount Offset to Deferral Account per Rule 29.2.10	\$	(8,056,526)
17. Actual Hedged Sales for Cost Month		742,788,643
18. Aggregate Rate of Adjustment per kWh (Line 15/Line 17)	\$	0.00400

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

Dated: January 19, 2011

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	<u>Effective Rate of Adjustment</u> \$/kWh
<u>P.S.C. No. 220 Electricity</u>	
Service Classification Nos. 1 and 1C	0.00273
Service Classification No. 2ND	0.00181

Rates shown above are exclusive of gross receipts taxes.

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