Received: 09/25/1998 Status: CANCELLED Effective Date: 10/01/1998

..DID: 5202

..TXT: PSC NO: 218 GAS STATEMENT TYPE: IRS

COMPANY: NIAGARA MOHAWK POWER CORPORATION STATEMENT NO: 14

INITIAL EFFECTIVE DATE: 10/01/98

STAMPS:

Cancelled by Statement IRS Number 15 Effective 10/01/1998

RECEIVED: 09/25/98 STATUS: Cancelled EFFECTIVE: 10/01/98

INTERRUPTIBLE RATE STATEMENT

Applicable to Billings for Service Classification No. 4

(Inclusive of both Niagara Mohawk and former NM Suburban Gas Inc. Customers)

Per Dt

Calendar Month Rate: \$2.60

(Not less than the Adjusted Commodity Cost of Gas and not more than the Firm Gas Price)

Adjusted Commodity Cost of Gas:

Average Commodity Cost \$2.1561 Adjusted for \$0.10 \$2.2561

Equivalent Gas - Oil Price:

Average No. 6 Oil, 1.0% Sulphur \$1.77
Adjusted for 95% \$1.68

Firm Gas Price:

Tail Block P.S.C. No. 218, S.C. 3 \$4.0000 Adjusted for Commodity Cost Adjustment \$4.0616

Issued By: Albert J. Budney, Jr., President, Syracuse, New York