

..DID: 21255  
 ..TXT: PSC NO: 218 GAS STATEMENT TYPE: MCG  
 COMPANY: NIAGARA MOHAWK POWER CORPORATION STATEMENT NO: 39  
 INITIAL EFFECTIVE DATE: 01/01/03  
 STAMPS:  
 Cancelled by Statement MCG Number 40 Effective 02/01/2003  
 RECEIVED: 12/27/02 STATUS: Cancelled EFFECTIVE: 01/01/03

MONTHLY COST OF GAS STATEMENT  
 Applicable to Billing for Service Classification Nos. 1 & 2

	SC1 Per Therm	SC2 Residential & Commercial Per Therm	SC2 Industrial Per Therm
Average Cost of Gas Per Therm as defined in Rule 17.3 of the General Information Section of P.S.C. 218 Gas determined on <u>December 27, 2002</u> using Supplier Rates Effective for the Month of <u>January 2003</u> :	\$0.564810	\$0.564810	\$0.575172
Factor of Adjustment:	1.017600	1.017600	1.017600
Resulting Monthly Cost Adjustment is:	\$0.57475	\$0.57475	\$0.58529
Reconciliation of Gas Cost Recoveries to Gas Costs Incurred. Applicable to Period: Twelve Months Ending August 31, 2002 Effective January 1, 2003 - December 31, 2003	(\$0.00036)	(\$0.00036)	(\$0.00036)
Capacity Incentive Program: 12 Months ended October 31, 2001 Surcharge Effective February 1, 2002 - January 31, 2003	\$0.00299	\$0.00299	\$0.00299
<b>TOTAL EFFECTIVE MONTHLY COST OF GAS:</b> Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.57738	\$0.57738	\$0.58792

STATEMENT: MCG  
 STATEMENT NO.: 39  
 PAGE: 2

MONTHLY COST OF GAS STATEMENT  
 Applicable to Billing for Service Classification No. 3  
 Effective January 1, 2003

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

	SC3 Large Comm. & Industrial <u>Per Therm</u>	SC3 MCG Applicable to Ratchet Usage <u>Per Therm</u>	SC3 MCG Applicable to Metered Usage <u>Per Therm</u>
Average Cost of Gas Per Therm as defined in Rule 17.3 of the General Information Section of P.S.C. 218 Gas determined on <u>December 27, 2002</u> using Supplier Rates Effective for the Month of <u>January 2003</u> :	\$0.539942		
Factor of Adjustment:	1.017600		
Resulting Monthly Cost Adjustment is:	\$0.54944		
Reconciliation Applicable to Period: Twelve Months Ending August 31, 2002. SC3 Refund Effective January 1, 2003 - December 31, 2003:	(\$0.00036)		
Capacity Incentive Program:			
12 Months ending October 31, 2001 Surcharge Effective February 1, 2002 - January 31, 2003	\$0.00299		
<b>TOTAL EFFECTIVE MONTHLY COST OF GAS:</b> Commencing with usage on or after the effective date of this statement and thereafter until changed.	\$0.55207	\$0.27875	\$0.27332

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