Received: 07/31/2000 Status: CANCELLED Effective Date: 08/01/2000

..DID: 12611

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

COMPANY: NIAGARA MOHAWK POWER CORPORATION STATEMENT NO: 1

INITIAL EFFECTIVE DATE: 08/01/00

STAMPS: Issued in Compliance with Order of PSC in C. 99-G-0336 dated 07/27/00.

Cancelled by Statement BSC Number 2 Effective 10/12/2000

RECEIVED: 07/31/00 STATUS: Cancelled EFFECTIVE: 08/01/00

STATEMENT OF BALANCING SERVICES COST RECOVERY Effective to Billing Commencing September 1, 2000 Applicable to Billing for Service Classification No. 11

Pursuant to Service Classification No. 11 of Niagara Mohawk Power Corporation*s PSC No. 218, the balancing service cost recovery rate shall be:

The estimated 12 month operating and maintenance cost

divided by the 12 month throughput forecast ending August 31, 2001 for SC-5 Firm, SC-7, SC-8 Transport, SC-1 Delivery Service and SC-2 Delivery Service of:

\$345,000

470,829,850

RESULTING IN THE:
TOTAL EFFECTIVE BALANCING SERVICES COST RECOVERY RATE

Per Therm \$0.0073

Issued By: <u>Darlene D. Kerr, Executive Vice President, Syracuse, New York</u>