

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 06/23/08

LEAF: 93
REVISION: 3
SUPERSEDING REVISION: 2

GENERAL INFORMATION

17. ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF PURCHASED GAS: (continued)

17.3.9 Load Factor:

17.3.9.1 The Monthly Cost of Gas Rate applicable to Service Classification Nos. 1, 2, 3, 12 and 13 shall be further adjusted for load factor as defined herein. The Average Demand Cost of Gas as defined in Rule 17.3.4 shall be further adjusted to reflect class load factor. These factors shall be updated by the Company annually, effective November 1st of each year, and included on the Monthly Cost of Gas Statements filed with the Public Service Commission in accordance with Rule 17.4.2.

17.4 Statement of Monthly Cost of Gas:

17.4.1 The Monthly Cost of Gas applicable to Service Classification Nos. 1, 2, 3, 12 and 13 computed as herein, will become effective the first day of the calendar month following the computation date, provided however, that the Monthly Cost of Gas will be prorated based on the days in the customer's billing cycle. The Monthly Cost of Gas will continue in effect until changed. The statement shall contain the schedules and service classifications to which the adjustment applies, the present average cost of purchased gas, the refunds or surcharges to be applied to the Monthly Cost of Gas, the date at which and the period for which the present average cost of purchased gas was determined, the Net Monthly Cost of Gas per Therm, the date when the Monthly Cost of Gas rate shall become effective. Such statement will be available to the public at Company offices at which applications for service may be made.

17.4.2 The Monthly Cost of Gas resulting from this provision will be filed with the Public Service Commission apart from this rate schedule not less than three (3) days prior to the date on which the statement is proposed to be effective.

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