

PSC NO: 219 GAS  
NIAGARA MOHAWK POWER CORPORATION  
INITIAL EFFECTIVE DATE: 08/01/03

LEAF: 94  
REVISION: 0  
SUPERSEDING REVISION:

### GENERAL INFORMATION

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

##### 17.4 Statement of Monthly Cost of Gas:

17.4.1 The Monthly Cost of Gas applicable to Service Classification Nos. 1, 2 and 3 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.

##### 17.5 Balancing Charges:

##### 17.5.1 Charge to Customer Through December 31, 2000:

17.5.1.1 Customers who participate in Daily Balancing Service under S.C. 11 will pay a monthly Balancing Charge of \$.02838 per therm of MPDQ through August 31, 2000 and \$.024433 per therm of MPDQ through December 31, 2000. This Balancing Charge recovers the cost of storage used by transportation customers for daily balancing. The Balancing Charge is the weighted cost of storage assets under DTI's rate schedules, GSS and GSS II, times 5% of the customer's MPDQ. The 5% factor reflects the balancing service provided to the daily balancing transportation customer that is not associated with daily cashouts. The monthly balancing charge will be set forth on a statement to be filed with the Public Service Commission apart from this rate schedule not less than three (3) days prior to any change in the effective date.

##### 17.5.2 Charge to Marketers - Effective January 1, 2001:

17.5.2.1 Marketers/Direct Customers taking Daily Balancing Service under Service Classification No. 11 will be subject to a Monthly Balancing Charge of \$.024433 per therm of MPDQ for all customers contained within their Daily Balancing Pool.

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