

Rates for Natural Gas Service

Residential Service - RATE 1

Generally applies to single-family dwellings - Delivery service as well as gas supply service for customers purchasing their gas supply from National Grid

Small General Service - RATE 2

Generally applies to small commercial and industrial users - Delivery service as well as gas supply service for customers purchasing their gas supply from National Grid

Large General Service - RATE 3

Large commercial and industrial users - For customers purchasing gas from National Grid

Firm Transportation Service - RATE 5

Users capable of consuming 250,000 THMs up to 1,000,000 THMs annually under firm transportation

Large Volume Interruptible Transportation Service - RATE 6

Capable of consuming 2,500,000 THMs annually

Small Volume Transportation Service - RATE 7

Capable of transporting 50,000 THMs annually

Transportation Service - RATE 8

Capable of consuming 1,000,000 THMs annually

Distributed Generation Service - RATE 12 (Non-Residential) and RATE 13 (Residential)

Questions? Call our Customer Contact Center at 1-800-642-4272.

THMs is the abbreviation for therms.

Residential Natural Gas Service*

RATE 1 Delivery Service Rate

First 3 THMs, or less	\$17.45
Income Eligible Basic Service Credit**	\$7.50
Next 47 THMs, per THM	\$0.38728
Over 50 THMs, per THM	\$0.05902

Small General Natural Gas Service*

RATE 2 Delivery Service Rate

First 3 THMs, or less	\$23.65
Next 277 THMs, per THM	\$0.29945
Next 4,720 THMs, per THM	\$0.17419
Over 5,000 THMs, per THM	\$0.05584

Large General Natural Gas Service

RATE 3 Delivery Service Rate

First 5,000 THMs, or less	\$782.76
Additional THMs, per THM	\$0.10172

Minimum Delivery Charge - The greater of charges for THMs measured in the billing period, or one-third of the highest monthly usage taken during any one billing period ending in the first previous months of January through March inclusive, but in no case less than \$782.76. Gas supply charges, which vary monthly, also apply.

Transportation Service

RATE 5 Firm Transportation Service

First 100 THMs, or less	\$465.92
Over 100 THMs, per THM	\$0.05934

RATE 6 Large Volume Interruptible Transportation Service

First 100 THMs, or less	\$580.65
Over 100 THMs, per THM	All THMs set monthly to the market price

RATE 7 Small Volume Firm Gas Transportation Service

First 2,100 THMs, or less	\$350.95
Over 2,100 THMs, per THM	\$0.11844

RATE 8 Transportation Service with Standby Sales Service

First 100 THMs, or less	\$825.65
Next 99,900 THMs, per THM	\$0.05934
Next 400,000 THMs, per THM	\$0.05613
Over 500,000 THMs, per THM	\$0.04842

Rates for Niagara Mohawk Power Corporation d/b/a National Grid ("National Grid") P.S.C. No. 219 Gas Tariff

*Gas supply charges and Merchant Function charges, which both vary monthly, also apply to customers purchasing their gas supply from National Grid.

**Credit available to customers who have been approved for a federal Home Energy Assistance Program (HEAP) grant.

nationalgrid

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RATE 12**Non-Residential Distributed Generation Service**

Annual Consumption	< 250,000 THMs
First 3 THMs or less	\$147.65
Over 3 THMs (April to Oct)	\$0.04755
Over 3 THMs (Nov to Mar)	\$0.06024
Annual Consumption	250,000 to < 1,000,000 THMs
First 3 THMs or less	\$465.92
Over 3 THMs (April to Oct)	\$0.04237
Over 3 THMs (Nov to Mar)	\$0.05367
Annual Consumption	1,000,000 to < 2,500,000 THMs
First 100 THMs or less	\$1,400.65
Next 499,900 THMs (Apr to Oct)	\$0.03951
Next 499,900 THMs (Nov to Mar)	\$0.05004
Over 500,000 THMs (Apr to Oct)	\$0.03387
Over 500,000 THMs (Nov to Mar)	\$0.04290
Annual Consumption	> 2,500,000 THMs
First 3 THMs or less	\$1,400.65
Over 3 THMs (Apr to Oct)	\$0.00792
Over 3 THMs (Nov to Mar)	\$0.01004
Demand charge per THM of MPDQ	\$0.86534

RATE 13**Residential Distributed Generation Service**

First 3 THMs or less per Month per Meter	\$26.94
Over 3 THMs per THM	\$0.03668

General Information about National Grid Rates:

If during your billing period your meter reading is less than 25 days or more than 35 days, charges are prorated on the basis of the number of days in the billing period.

During a rate change, charges are prorated between old and new rates.

Components of National Grid Rates:

National Grid Gas Delivery Charges - National Grid's charges for transporting gas across its distribution system to your premise, regardless of supplier.

Adjustment for Changes from Normal Weather - A mechanism that adjusts customers' gas bills due to variations from normal weather during the heating months, October through May. Applies to heating customers only.

Gas Supply - This charge reflects the Company's actual cost to purchase gas from suppliers and transport the gas to its distribution system. If you choose an alternate supplier, the price will be what you agree upon with that supplier.

Merchant Function Charge - A charge to reflect the costs the Company incurs associated with the procurement of gas supplies.

Tariff Surcharge - National Grid is required to pay a state Gross Income Tax. Many cities and villages also charge a Municipal Gross Income Tax. No customers are exempt from the Tariff Surcharge. The Tariff Surcharge is calculated by multiplying the appropriate charges on the bill by the Surcharge Factor. The Tariff Surcharge Factor for residential Delivery is 3.09278% or 2.04082% as of January 2005, depending on the customer's location. The Tariff Surcharge Factor for non-residential Delivery is 1.01010% or 0.00000%. The Tariff Surcharge Factor for Commodity charges is 1.01010% or 0.00000%.

Late Payment Charge - A late payment charge of 1½% per month will be applied to any unpaid balance outstanding after the date shown on the front of the bill.

System Benefits Charge - A charge to reflect costs associated with certain mandated public policy programs, such as energy efficiency programs.

Incremental State Assessment Surcharge - A surcharge based on the Temporary State Energy and Utility Service Conservation Assessment effective April 1, 2009 - March 31, 2014 collected by the Company for New York State.

Re-establishment Charges - When gas service is reestablished for the same customer at the same meter location following discontinuance for non-payment, a Reestablishment Charge will be applied as follows:

Gas Meter or Curb Valve	Normal Hours - \$53.13	After Hours - \$70.58
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Sales Tax - National Grid is required to collect various state and local sales taxes. If eligible for sales tax exemption, the customer is required to provide appropriate documentation. Information about taxes for your service address is available from our Customer Contact Center at **1-800-642-4272**.

Notice to Religious Organizations, Community Residences and Veterans' Organizations - Public Service Law, Section 76, permits certain corporations or associations to receive gas service under its Residential Gas Service rate, Service Classification No. 1. These are:

- ▶ Premises owned or leased by any not-for-profit corporation, association or body organized and conducted in good faith for religious purposes;
- ▶ certain community residences as defined in the Mental Hygiene Law; and
- ▶ any post or hall owned or leased by a not-for-profit organization that is a veterans' organization.