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Pamela B. Dise Manager – Electric Pricing

March 28, 2014

Honorable Kathleen H. Burgess, Secretary State of New York Public Service Commission Office of the Secretary, 19th Floor Three Empire State Plaza Albany, NY 12223

Dear Secretary Brilling:

Enclosed herewith for filing in accordance with the requirements of the Public Service Commission, State of New York is a copy of the following Statement issued by Niagara Mohawk.

Merchant Function Charge ("MFC") Statement No. 8

To P.S.C. 214 Electricity

Effective: April 5, 2014

This Merchant Function Charge ("MFC") Statement No. 8 is being filed per Rule No. 42—Merchant Function Charge of PSC No. 220 Electricity in accordance with the Order issued March 15, 2013 in Case 12-E-0201. Ordering Clause No. 5 of this order directed the Company to file further tariff changes as are necessary to effectuate the Rate Year Two rates as approved and provided for in this order The Order stated that the Working Capital on Purchased Power Costs Factor should be updated each fiscal year to reflect the pre-tax weighted average cost of capital applicable in each rate year multiplied by the lead lag percentage.

Please notify me of any action taken in regards to this filing.

Sincerely,

/s/ Pamela B. Dise

Pamela B. Dise Manager—Electric Pricing

PBD Attachments