..DID: 3343

..TXT:

May 5Index Price

Option for PSC 87 COMPLETED

Index Price Option for PSC 89 COMPLETED

UPDATING OF INDEX PRICE OPTION STATEMENTS IS COMPLETE!, 1998

Honorable John C. Crary Secretary Public Service Commission State of New York 3 Empire State Plaza Albany, New York 12223

Dear Secretary Crary:

The enclosed statements are transmitted electronically for filing in compliance with the requirements of the Public Service Commission, State of New York.

Index Price Option Statements:

Statement No. IPO-15 to P.S.C. No. 87 - Gas Statement No. IPO-7 to P.S.C. No. 89 - Gas

Very truly yours,

/caj Encls. STEVEN R. ADAMS Manager - Gas Pricing