



September 30, 2008

Honorable Jaclyn A. Brilling, Secretary  
State of New York  
Public Service Commission  
Office of the Secretary, 19th Floor  
Three Empire State Plaza  
Albany, NY 12223-1350

**Re: Case 08-G-0609**

Dear Secretary Brilling:

The enclosed tariff leaves and System Benefits Charge Statement, issued by Niagara Mohawk Power Corporation, d/b/a National Grid (hereinafter "the Company") are transmitted for filing in compliance with the requirements of the Public Service Commission of the State of New York ("Commission").

Third Revised Leaf No. 122.1  
First Revised Leaf No. 122.2  
Third Revised Leaf No. 130  
Fourth Revised Leaf No. 150  
System Benefits Charge Statement No. 4

To PSC No. 219 Gas

Effective: October 1, 2008

Third Revised Leaf No. 122.1 and System Benefits Charge Statement No. 4 are being filed in compliance with "Order Adopting An Interim Energy Efficiency Program and Modifying the Joint Proposal" dated September 18, 2008 (September 18<sup>th</sup> Order). The September 18<sup>th</sup> Order approves the Company's Interim Energy Efficiency Joint Proposal filed on August 1, 2008.

Ordering Paragraph 1 of the September 18<sup>th</sup> Order approves the August 1, 2008 Interim Joint Proposal as modified by the Order. The Order approves a budget for the eight month Interim Energy Efficiency Program of \$4,893,000 to be collected from Service Classification Nos. 1, 2 and 7 over a twelve month period of time. The Company has modified Leaf 122.1 System Benefits Charge to provide for the collection of \$4.893 million under Rule 31.2.

Rule 31.1 provides for the recovery of the Energy Efficiency Program which was filed by the Company on July 31, 2008 to comply with Ordering Paragraph 6 of the Commission's June 23<sup>rd</sup> Order in Case 07-M-0548. The amounts recoverable under this paragraph have been reduced to account for the dollars approved for this same program under the September 18<sup>th</sup> Order included in

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the \$4.893 million budget referred to above. Further, the SBC rate filed on July 31, 2008 has been reset to reflect recoveries of the approved amounts from Service Classification Nos. 1, 2 and 7 consistent with Page 42 of the June 23rd Order. In addition, the rate has been revised to reflect recoveries of the program costs over the annual period October 1, 2008 through September 30, 2009. Ordering Paragraph 6 provided for the Company to implement a System Benefits Charge in order to implement a residential heating, ventilation and air-conditioning (HVAC) program commencing with the upcoming winter season.

Questions regarding this filing should be addressed to Marcia Collier on 315-428-5692. Please advise the undersigned of any action taken in regards to this filing.

Sincerely,

Marcia G. Collier  
Manager Gas Pricing – Upstate NY

MGC/tlf (S:\Tariffs\219Tariff\Docfiles\Letters\lett226)

Enclosures

cc: Daniel Wheeler, PSC  
William Mills, PSC  
Gary Ahern  
Joseph Ash  
Janet Audunson  
Jennifer Feinstein  
Bruce Johnson  
Pete Luvera  
Cathy Nesser  
Carol White