



December 11, 2006

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

Dear Secretary Brillling:

Attached from Niagara Mohawk Power Corporation, d/b/a National Grid ("The Company") for filing in accordance with the requirements of the Public Service Commission of the State of New York is the following statement:

Statement of Research & Development Surcharge No. 5
To PSC No. 219 Gas

Effective: January 1, 2007

The Company filed the addition of Rule 30 to its PSC Gas Tariff on March 22, 2000 in compliance with the Commission's February 14, 2000 Order in Case 99-G-1369. This rule established a state funding mechanism to support medium and long-term research and development programs. The Commission approved these filings on a temporary basis on April 4, 2000.

The Company's Research and Development Rule No. 30 calls for a statement to be filed with the Commission apart from the rate schedule not less than three (3) days prior to the date the statement is to be effective. The Company hereby files its Research and Development Surcharge Rate to be effective January 1, 2007.

Please advise the undersigned of any action taken with respect to this filing. I can be reached at (315) 428-5880.

Very truly yours,

Amy S. Wisner
Senior Rate Analyst, Gas Pricing

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