



December 19, 2006

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

Dear Secretary Brilling:

The attached Statement issued by Niagara Mohawk is being transmitted for filing in accordance with the requirements of the Public Service Commission, State of New York.

Statement of Transmission Revenue Adjustment  
Statement No. 63

To P.S.C. No. 214 Electricity

Effective: December 29, 2006

The above Statement of Transmission Revenue Adjustment (TRA) is being filed per Rule No. 43 - Transmission Revenue Adjustment. Specifically, Rule No. 43 provides for a monthly comparison of the forecast based transmission revenue credit and the actual Transmission Revenue realized from these services.

Attachment Nos. 1 and 2 included with this filing display the derivation of these rates. Statement of Transmission Revenue Adjustment No. 63 is effective December 29, 2006 for batch billings and January 1, 2007 for calendar month billings.

Please advise the undersigned of any action taken in regards to this filing.

Sincerely,

Patricia Rivers  
Senior Rate Analyst  
Tariff and Regulatory Administration  
Electric Pricing Department

PJR  
Attachments