



April 3, 2008

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

Re: Case 07-G-0299 In the Matter of Issues Associated with the Future of the Natural Gas Industry and the Role of Local Gas Distribution Companies – Capacity Planning and Reliability

Dear Secretary Brillling:

The enclosed tariff leaf, issued by Niagara Mohawk Power Corporation, d/b/a National Grid (hereinafter “the Company”) is transmitted for filing in compliance with the Commission’s March 28, 2008 Order in Case 07-G-0299 and the requirements of the Public Service Commission of the State of New York (“Commission”).

Eighth Revised Leaf No. 179

To PSC No. 219 Gas

Effective: April 4, 2008

On August 30, 2007 the Public Service Commission adopted PSC Staff White Paper proposing a policy of mandatory release by local distribution companies of interstate pipeline capacity used to serve most existing and all incremental core customer needs and allowed marketer-supplier capacity used for core customers to continue to be used subject to certain conditions. The Company complied with the August 30, 2007 order on September 28, 2007 with the tariff revisions taking effect on a temporary basis on November 1, 2007.

The Public Service Commission issued an order on March 28, 2008, clarifying the intent of the August 30 capacity release order to explain that only interstate pipeline capacity used by a marketer to serve core customer load is exempt from the mandatory capacity release requirement for use of LDC-held capacity and that the grandfathered amount of capacity may decrease as the marketer load declines and LDC-held capacity is used to serve new and incremental core customer load.

Further, Ordering Paragraph 2 of the March 28, 2008 order directs Niagara Mohawk to file not later than April 4, 2008 a letter to the Secretary of the Commission confirming that marketers serving the Company's firm transportation customers take releases of company capacity for 100% of upstream primary firm delivery point capacity requirements for the winter. In addition, Ordering Paragraph 2 requires the Company to file tariff amendments to eliminate the resulting unnecessary provisions related to grandfathering of marketer-supplied capacity.

The Company hereby confirms that Marketers serving the Company's firm core transportation customers take releases of company capacity for 100% of their upstream primary firm delivery point capacity. In addition, the Company is hereby complying with Ordering Paragraph 2 by eliminating the references to grandfathering contained on Leaf No. 179.

In accordance with Ordering Paragraph 2 the requirements of Public Service Law 66(12) and 16 NYCRR 720-8.1 in regard to newspaper publication of the tariff amendments filed herein are waived. The Company will provide active parties in Case 07-G-0299 copies of the applicable tariff revisions concurrently with the filing of the revised tariff leaf contained herein.

Questions regarding this filing should be addressed to Marcia Collier on 315-428-5692 or Lee Klosowski on 315-428-5903. Please advise the undersigned of any action taken in regards to this filing.

Sincerely,

Marcia G. Collier
Manager, Gas Pricing - NY

MGC/tlf (S:Tariffs/219Tariff/Docfiles/Letters/lett207)

Enclosures

cc: Dan Wheeler
Sheila Rappazzo
Cynthia McCarran
Gary Ahern
Jennifer Feinstein
Lee Klosowski