



January 24, 2008

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

**Re: Case 06-G-0059 In the Matter of Issues Associated with Gas Curtailment**

Dear Secretary Brillong:

The enclosed tariff leaves, issued by Niagara Mohawk Power Corporation, d/b/a National Grid (hereinafter "the Company") are transmitted for filing in compliance with the Commission's August 23, 2007 Order in Case 06-G-0059 and the requirements of the Public Service Commission of the State of New York ("Commission").

Second Revised Leaf No. 36  
Third Revised Leaf No. 37.1

To PSC No. 219 Gas

Effective: February 1, 2008

On October 24, 2007 the Company filed revised tariff leaves in compliance with the Commission's August 23, 2007 Order Adopting Gas Curtailment Guidelines and Requirements to take effect on a temporary basis. The Company's October 24, 2007 filing incorporated revisions to Rule 3 – Priority of Service as set forth in the Gas Curtailment Guidelines set forth in Appendix B to the August 23, 2007 Order.

The enclosed revised tariff leaves are submitted pursuant to further discussions with Staff regarding minor tariff language revisions to tariff leaf 36, Rules 3.6 and 3.6.1 and tariff leaf 37.1, Rule 3.7.2.

Specifically, Rule 3.6 has been revised to supplement language that the Company will recover compensation costs from customers through the Monthly Cost of Gas to include "or an equivalent mechanism, subject to commission review".

Rule 3.6.1 has been supplemented to clarify that the compensation for diverted gas will be at the stated price components "in effect at the time of curtailment" and deletes reference to any upstream pipeline penalties incurred. Additionally, Rule 3.6.1 has been revised to replace the

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language “with adequate support as determined in the sole and absolute discretion of the Company” with “to the Company’s satisfaction”.

Finally, Rule 3.7.2 is revised to reflect the Office of Electric, Gas and Water of the New York Public Service Commission.

Copies of this tariff filing have been served on all parties to Case 06-G-0059.

In accordance with Ordering paragraph 4 of the August 23, 2007 Order, newspaper publication of the proposed tariff changes required by 16 NYCRR 720-8.1 are waived.

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 - NY

MGC/tlf (S:Tariffs/219Tariff/Docfiles/Letters/lett201)

Enclosures

cc: Dan Wheeler  
Sheila Rappazzo  
Cynthia McCarran  
Gary Ahern  
Jennifer Feinstein  
Catherine Nesser