

NIAGARA MOHAWK POWER CORPORATION  
A **National Grid** Company  
300 Erie Boulevard West  
Syracuse, New York 13202  
April 22, 2005

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 No. 05-G-0292

Dear Secretary Brillling:

The enclosed tariff leaves, issued by Niagara Mohawk Power Corporation, A National Grid Company ("Company"), are transmitted for filing in accordance with the requirements of the Public Service Commission of the State of New York ("Commission").

First Revised Leaf No. 59.1  
Second Revised Leaf No. 60

To PSC No. 219 Gas

Effective: May 23, 2005

On March 8, 2005, the Company submitted tariff revisions to add a new Rule 11.7, set forth on Leaf Nos. 59.1 and 60, which would allow the Company's customers to construct that portion of the service line which exceeds the portion that is constructed by the Company at no charge. Rule 11.7 specifies the conditions under which the customer would be allowed to construct the excess service line.

On April 15, 2005, the International Brotherhood of Electrical Workers Local 97 ("IBEW") filed comments regarding Niagara Mohawk's March 8, 2005 filing. The IBEW recommends that the Commission reject the Company's proposed new tariff rule based on alleged safety and operating efficiency and cost considerations or alternatively require clarifications to Rule 11.7.7 and 11.8. The IBEW requests clarifications to Rule 11.7.7 and 11.8 so that it is clear that title to customer constructed service lines is not conveyed back to the Company until such lines are adequately tested and deficiencies are corrected. The tariff revisions, filed herein, propose changes to Rule 11.7.4 and 11.8 in response to the IBEW's concerns. Other minor clarifying changes to Rule 11.7 and 11.11 have also been made.

Rule 11.7 on Tariff Leaf No. 59.1 has been modified to delete the phrase which indicated that "the provisions of Rule 11.3.5 shall not be applicable." This change was made in order to correct the language in Rule 11.7 to indicate that Rule 11.3.5 does apply when a customer constructs the portion of the service line which exceeds the portion that would be constructed by the Company at no charge. Rule 11.3.5 indicates that when the Company and the property owner agree to locate the meter in an accessible location at the point where the Company's obligations to construct the service line at no charge ends, the property owner or applicant is responsible for constructing and paying for the segment of the service line beyond the outlet of the meter and such segment shall be owned by the customer. These rules would still apply even if the customer constructed a portion of the service line before the meter.

Rules 11.7.4 and Rule 11.8 have been clarified in order to respond to the IBEW's concerns. The revision to Rule 11.7.4 clarifies that a service line constructed by a customer will not be joined with the Company's portion and energized until any deficiencies identified by the Company have been corrected. The change to Rule 11.8 clarify that this rule relates to the Company's obligation to maintain, replace and reconstruct service lines after the service line has been activated.

Rule 11.11 has been modified in order to change the word "service lateral" to "service line." The Company's March 8, 2005 filing changed all other references of "service lateral" to "service line" to be consistent with the definition section of the Company's tariff. The Company inadvertently missed the references in Rule 11.11.

The Company requests waiver of Newspaper Advertising as required by 16NYCRR 720-8.1 as the Company's March 8, 2005 filing is currently being advertised and the changes filed herein do not materially affect the intent of the Company's original filing or the Company's customers.

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

Sincerely,

Marcia G. Collier  
Manager, Gas Pricing

MGC/jsc (S:Tariffs/219Tariff/Docfiles/Letters/Lett94)