

NIAGARA MOHAWK POWER CORPORATION

A **National Grid** Company

300 Erie Boulevard West

Syracuse, New York 13202

December 19, 2003

Honorable Jaclyn A. Brilling, Acting 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. 02-M-0515

Dear Acting Secretary Brilling:

The attached tariff leaves and statement, issued by Niagara Mohawk, are transmitted for filing in accordance with the requirements of the Public Service Commission, State of New York:

First Revised Leaf No.	3
First Revised Leaf No.	29
First Revised Leaf No.	93
Second Revised Leaf No.	94
Second Revised Leaf No.	95
First Revised Leaf No.	96
Second Revised Leaf No.	97
First Revised Leaf No.	98
First Revised Leaf No.	122
Second Revised Leaf No.	171
Second Revised Leaf No.	181
Second Revised Leaf No.	182
Third Revised Leaf No.	184
Second Revised Leaf No.	196
First Revised Leaf No.	215
Original Leaf No.	215.1
Original Leaf No.	215.2
Original Leaf No.	215.3
Original Leaf No.	215.4
Original Leaf No.	215.5

Statement of Inspection Fee No. 1

To PSC No. 219 Gas

Effective: January 1, 2004

Purpose

Ordering Paragraph 1 of the Commission's April 24th Order in Case 02-M-0515 required Niagara Mohawk and other gas utilities to file tariff leaves instituting firm delivery service for non-residential Distributed Generation

customers within 90 days after the issuance date of the Order. On July 18, 2003, Niagara Mohawk complied with the April 24, 2003 Order via tariff revisions to its PSC No. 218 tariff. On June 30, 2003, Niagara Mohawk filed a new gas tariff PSC No. 219 in order to maintain consistency with the Commission's new ETS2 filing system. PSC No. 219 became effective on August 1, 2003. Additionally, on December 3, 2003, the Commission issued an order in Case 02-M-0515 approving the Company's tariff leaves subject to certain modification. The tariff leaves filed herein constitute the Company's compliance with the Commission's December 3rd Order, as well as the re-filing of the July 18, 2003 Distributed Generation Filing under its new PSC No. 219 Tariff.

Revisions

Tariff Leaf Nos. 3, 93, 94, 95, 96, 97, 122, 171, 181, 182, 184, 196 and 215.2 have been revised solely to reflect the corresponding revisions to PSC No. 219 rather than PSC No. 218.

Tariff Leaf No. 29 was revised in order to reflect a modification into Rule 3.2.2. Rule 3.2.2 defines Niagara Mohawk's Supplier of Last Resort responsibility. The rule was revised to clarify that customers taking service under SC 12 do not qualify as Human Needs customers.

Tariff Leaf No. 93 reflects the addition of the load factor multiplier for the MCG rate for SC 12 as reflected in the Company's original July 18, 2003 filing, but also reflects the current factors being used for the remaining classes.

Tariff Leaf No. 98 reflects a reference to the Inspection Fee Statement applicable to Gas Fired Emergency Generation customers. This statement, reflecting the costs of performing inspections, was requested to be filed by the Commission's Staff. The Statement of Inspection Fee No. 1 is being filed as a result of that request.

Tariff Leaf No. 215 reflects language required by the December 3rd Order that indicates that delivery service rates included in the tariff filing are ceiling prices for thirty-six months after the initial effective date of this Service Classification.

Tariff Leaf 215.1 reflects the revised delivery service rates required by the December 3rd Order.

Tariff Leaf 215.3 reflects the required language that customers submitting proof of mitigating circumstances will be allowed to remain on SC 12 when their load factor falls below the required minimum of 50%.

Tariff Leaf 215.4 changes the 10 calendar days notice to 15 to be consistent with the Company's existing tariff.

Tariff Leaf No. 215.5 reflects the addition of Special Provisions 12, 13 and 14 reflecting references to Rule 3 curtailment procedures contained in General Information.

Data Reporting

Ordering Paragraph 3 of the Commission's April 24, 2003 Order requires utilities to collect and file a report of DG-related data with the Director of the Office of Gas and Water every six months beginning January 1, 2004. The Company is sending its first report via hard copy directly to Thomas Dvorsky under separate cover.

Advertising

Newspaper publication of the proposed tariff changes has been waived in accordance with Ordering Paragraph 8 of the December 3, 2003 Order.

Please address any questions regarding this filing directly to the undersigned at (315) 428-5692.

Sincerely,

Marcia G. Collier
Manager, Gas Pricing

MGC/jsc (S:Tariff/219Tariff/Letters/Lett22)