

NIAGARA MOHAWK POWER CORPORATION
A **National Grid** Company
300 Erie Boulevard West
Syracuse, New York 13202
July 13, 2004

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. 99-M-0631 - In the Matter of Customer Billing Arrangements/
Case No. 03-M-0117 - In the Matter of Implementation of Chapter 686 of the Laws of 2003/
Order Relating to Implementation of Chapter 686 of the Laws of 2003 and Pro-Ration of Consolidated
Bills

Dear Secretary Brillling:

The enclosed leaves, issued by Niagara Mohawk Power Corporation ("Company") are transmitted for filing in compliance with Order of the Public Service Commission ("Commission"), State of New York issued and effective June 20, 2003 in Case No. Nos. 99-M-0631 and 03-M-0117.

Second Revised Leaf No. 190
Second Revised Leaf No. 195

To PSC No. 219 Gas

Effective: July 14, 2004

On June 18, 2003, Chapter 686 of the Laws of 2002 became effective requiring Marketers and other entities providing or facilitating the provision of gas and electric service to residential customers to comply with provisions of the Home Energy Fair Practices Act ("HEFPA"). In addition, this law authorizes Marketers to request discontinuance of delivery service for non-payment of commodity service to residential customer's receiving consolidated bills after compliance with certain HEFPA procedures.

Ordering Clause No. 3 of the Order issued June 20, 2003, directed each gas corporation, electric corporation and municipality providing residential gas or electric service to file tariff leaves, to become effective within 75 days from the date of this Order, to conform with the requirements and procedures necessary to implement the requirements of Chapter 686. On September 2, 2003, the Company submitted leaves in compliance with this Order on one day's notice, to become effective on a temporary basis on September 3, 2003.

With this filing, the Company submitted Rule No. 3E to Service Classification No. 11 containing charges for Marketer initiated disconnection and re-establishment of services. These proposed charges would be the responsibility of the Marketer requesting suspension.

Upon further review by the Public Service Commission, it was determined that the Laws of 2002 and Order issued June 20, 2003 only directed the utilities to file disconnection charges and not re-establishment charges and asked the Company to voluntarily remove these re-establishment charges from the tariff. With this filing, the

Company is removing these charges on a voluntary basis from Rule No. 3E of the Other Billing, Collection Services, and Charges section of Service Classification No. 11.

Also, per Orders issued in Case Nos. 99-M-0631 and 03-M-0117, the revised leaves will become effective on one day's notice, July 14, 2004.

As per Ordering Clause No. 3 of these Orders, the requirements of Section 66(12)(b) of the Public Service Law as to newspaper publication of these changes has been waived.

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/Lett53)