



May 19, 2009

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

Dear Secretary Brillling:

The enclosed tariff leaves and exhibits, issued by Niagara Mohawk Power Corporation, d/b/a National Grid, are transmitted for filing in compliance with the requirements of the Public Service Commission and the Commission's "Order Adopting The Terms of a Joint Proposal and Implementing a State Assessment Surcharge" (the "Rate Order") issued May 15, 2009 in Case 08-G-0609:

Fourth Revised Leaf No. 2	First Revised Leaf No. 122.4	Fourth Revised Leaf No. 154
Third Revised Leaf No. 49	First Revised Leaf No. 122.5	Second Revised Leaf No. 155
Third Revised Leaf No. 69	First Revised Leaf No. 122.6	Third Revised Leaf No. 157
Second Revised Leaf No. 88	First Revised Leaf No. 122.7	Second Revised Leaf No. 158
Second Revised Leaf No. 90	First Revised Leaf No. 122.8	Second Revised Leaf No. 160
Third Revised Leaf No. 91	Sixth Revised Leaf No. 124	First Revised Leaf No. 167
Third Revised Leaf No. 92	Second Revised Leaf No. 125	Eighth Revised Leaf No. 178
Fourth Revised Leaf No. 93	Second Revised Leaf No. 127	Tenth Revised Leaf No. 179
Fifth Revised Leaf No. 94	Second Revised Leaf No. 128	Sixth Revised Leaf No. 180
Fifth Revised Leaf No. 96	Fifth Revised Leaf No. 129	Sixth Revised Leaf No. 181
Seventh Revised Leaf No. 97	Fourth Revised Leaf No. 130	Third Revised Leaf No. 183
Fifth Revised Leaf No. 98	Fourth Revised Leaf No. 133	Seventh Revised Leaf No. 184
Second Revised Leaf No. 99	Second Revised Leaf No. 134	Fifth Revised Leaf No. 185
Second Revised Leaf No. 100	First Revised Leaf No. 136	Fifth Revised Leaf No. 189
Third Revised Leaf No. 111	Fourth Revised Leaf No. 137	Third Revised Leaf No. 215.1
Second Revised Leaf No. 112	Sixth Revised Leaf No. 141	Second Revised Leaf No. 215.2
Second Revised Leaf No. 113	First Revised Leaf No. 144	First Revised Leaf No. 215.3
Second Revised Leaf No. 114	Fourth Revised Leaf No. 145	Sixth Revised Leaf No. 216
Second Revised Leaf No. 115	Fifth Revised Leaf No. 150	Sixth Revised Leaf No. 216.1
Third Revised Leaf No. 120	Third Revised Leaf No. 151	First Revised Leaf No. 216.2
Second Revised Leaf No. 122.2	Third Revised Leaf No. 153	Fourth Revised Leaf No. 218
First Revised Leaf No. 122.3		

Balancing Charge Statement No. 3  
Incremental State Assessment Surcharge Statement No. 1  
Interruptible Rate Statement No. 72  
Merchant Function Charge Statement No. 2  
Monthly Cost of Gas Statement No. 72  
Natural Gas Vehicle Rate Statement No. 72  
Revenue Decoupling Mechanism Statement No. 1  
Statement of Load Factor Ratios No. 1

Transportation Rate Statement No. 72  
Weather Normalization Statement No. 2

To P.S.C. No. 219 Gas  
Effective May 20, 2009

And

Supplement No. 19  
To P.S.C. No. 219 Gas  
Effective May 19, 2009

The rates included in the above tariff leaves are designed in accordance with the Commission's Order dated May 15, 2009 adopting the terms of the Joint Proposal in Case 08-G-0609 filed on February 13, 2009 ( the "JP"). The Joint Proposal provides for a base rate increase of \$39.428 million for Rate Plan Year 1, May 20, 2009 – May 19, 2010.

The revenue allocation and rate design underlying these rates are included as Appendix E to the JP. Page 1 of 23 of Appendix E displays number of customers, volumes, present and proposed total revenues by service classification and other operating revenue components for Niagara Mohawk Power Corporation's gas operations. The distribution of the rate award and the percentage change from present revenue, by service classification, and the number of customers increased, decreased and unaffected are also shown on Appendix E. Appendix F to the JP reflects bill impacts by service classification of the increased rates by class.

This filing also includes the implementation of a revised loss factor of 1.0162 and revised heating degree day and base load factors, as well as updated normal degree days to be used in billing the Company's Weather Normalization Clause.

#### **State Energy and Utility Service Conservation Assessment**

In accordance with Ordering Paragraph 5 of the Rate Order, the tariff leaves filed herein also provide for a surcharge to Service Classification Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9 non-electric generator customers, 10, 12 and 13 customers to collect the Temporary State Energy and Utility Service Conservation Assessment. This surcharge mechanism is set forth in new Rule 35 of PSC No. 219 Gas. Bill Tables by Service Classification, which include the impacts of both new Rule 35 and the authorized base rates, are included as an attachment to this filing. The Company has two Service Classification No. 6 customers with rates that are locked in at the current time. The Company proposes not to apply the Temporary State Energy and Utility Service Conservation Assessment to these customers until after the term of their current contracts expire.

Ordering Paragraph 3 of the Rate Order provides for waiver of Public Service Law Section 66 (12) (b) and 16NYCRR 720-8.1, which requires newspaper publication be completed prior to the effective date of the amendments. The Company is proceeding with newspaper publication in four consecutive weeks, as directed by the Commission in the Rate Order.

Very truly yours,

Marcia G. Collier  
Manager, Gas Pricing – Upstate New York

MGC/crc  
Attachments

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