nationalgrid

December 29, 2010

Via Electronic Mail

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

Re: Case 07-M-0548 – Proceeding on Motion of the Commission Regarding an Energy Efficiency Portfolio Standard

Case 09-G-0363 – Petitions for Approval of Energy Efficiency Portfolio Standard (EEPS) Gas Energy Efficiency Programs

Dear Secretary Brilling:

Enclosed please find for electronic filing a revised System Benefits Charge Statement, issued by Niagara Mohawk Power Corporation d/b/a National Grid (hereinafter "the Company"), in compliance with the requirements of the Public Service Commission of the State of New York ("Commission").

> System Benefits Charge Statement No. 10 To PSC No. 219 - Gas Effective: January 1, 2011

The Company is updating its System Benefits Charge ("SBC") to reflect the authorized collections for Calendar Year 2011. The Company calculated the 2011 SBC factor by first allocating the authorized 2011 collection amounts to either residential or commercial classes and then dividing by the respective 2011 sales forecast to develop the base residential and commercial charges (*see* Attachment 1 hereto). The allocation to the residential class was based on the collections for programs that target residential customers (*see* Attachment 2 hereto). The reconciliation charge for under-recoveries was calculated by comparing authorized SBC collections to actual SBC collections for the period October 1, 2008 through December 31, 2009 (*see* Attachment 3 hereto) and dividing by the 2011 sales forecast, which was then added to the base factors.

Should you have any questions concerning this filing, please contact me at Dawn.Herrity@us.ngrid.com. Thank you for your attention to this matter.

Sincerely,

Dawn Herrity Lead Analyst

/dh

Enclosures

cc: Active Parties List in Case 07-M-0548 via EEPS listserv Active Parties List in Case 08-G-0609