



December 29, 2010

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

**Re: Case 08-G-0609 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of the Niagara Mohawk Power Corporation for Gas Services – Revenue Decoupling Mechanism**

Dear Secretary Brillong:

The enclosed attachments, tariff leaf and statement, issued by Niagara Mohawk Power Corporation, d/b/a National Grid (“Niagara Mohawk” or “the Company”), are transmitted for filing in compliance with the Public Service Commission’s “Order Approving in Part and Denying in Part a Petition and a Related Tariff Amendment to Modify the Joint Proposal Relative to the RDM Reconciliation” issued December 21, 2010 in Case 08-G-0609 (“December 21<sup>st</sup> Order”):

Third Revised Leaf No. 122.3  
Statement No. 4 – Statement of Revenue Decoupling  
To P.S.C. No. 219 – GAS  
Effective: January 1, 2011

This filing is in compliance with the December 21<sup>st</sup> Ordering Paragraph No. 2 directing the Company to file further revisions to this leaf and this statement. The December 21<sup>st</sup> Order approved the Company’s request to modify the Joint Proposal and combine the results of the two sub-groups within Service Classification No. 1 for the purpose of calculating the reconciliation surcharge or credit. This revision is reflected on the attached leaf. The attached statement reflects the grouping of SC 1 resulting in the same surcharge as SC 1 NonHeat and SC 1 Heat.

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Should you have any questions or concerns regarding this filing, please contact me at (718) 403-2975 or [Dawn.Herrity@us.ngrid.com](mailto:Dawn.Herrity@us.ngrid.com).

Very truly yours,

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Dawn Herrity  
Lead Analyst  
Gas Pricing

Cc: Active parties in Case 08-G-0609 (by electronic mail)

/dh  
Attachments