



December 17, 2012

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

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 (“RDM”)

Dear Secretary Brillling:

On August 17, 2012, Niagara Mohawk Power Corporation d/b/a National Grid (“Niagara Mohawk” or the “Company”) submitted its annual RDM reconciliation in compliance with the Commission’s “Order Adopting The Terms of a Joint Proposal” (the “Rate Order”), issued May 15, 2009 in the above referenced proceeding to become effective January 1, 2013.

After discussions with Staff, the Company has revised its reconciliation to use an updated other customer capital rate for purposes of calculating interest. Attachment 1 reflects the updated annual RDM reconciliation. As a result of this revision, the Company is now submitting:

Statement No. 7 – Statement of Revenue Decoupling to P.S.C. No. 219 Gas, Effective January 1, 2013.

Also included in this filing is Attachment 2 which consists of a revised proxy customer count.

Should you have any questions or concerns regarding this filing, please contact me at (718) 403-2975 or at Dawn.Herrity@nationalgrid.com.

Very truly yours,

Dawn Herrity
Principal Analyst
Regulation & Pricing

cc: Active Parties (via DMM)

/dh
Attachments