



April 25, 2012

Honorable Jaclyn A. Brilling
Secretary
State of New York
Public Service Commission
Three Empire Plaza
Albany, New York 12223

**RE: CASE 06-G-1186 – Proceeding on Motion of the Commission as to the Rates,
Charges, Rules and Regulations of KeySpan Gas East Corporation d/b/a National
Grid – Revenue Decoupling Mechanism – Amended Filing**

Dear Secretary Brilling:

On March 15, 2012, KeySpan Gas East Corporation d/b/a National Grid (“Company”) submitted its annual Revenue Decoupling Mechanism Reconciliation pursuant to the Commission’s “Order Concerning Proposed Revenue Decoupling Mechanism,” dated December 22, 2009 (the “December 22 Order”), in the above-captioned proceeding. The Company’s filing inadvertently omitted an update of its Statement of System Benefits Charge (“SBC”), pursuant to which the Company recovers lost revenue resulting from SBC-funded gas energy efficiency programs from firm classes, other than its residential heating customers. Due to the Company’s failure to file an updated SBC statement in March, the Company did not update its SBC factor as of May 1st, as contemplated by the December 22 Order. Accordingly, the Company hereby supplements its prior filing by submitting the following additional item:

Statement No. 6 – Statement of System Benefits Charge
Schedule to Gas Service, P.S.C. No. 1-GAS
Effective Date: June 1, 2012

Upon the effective date of Statement No. 6, the Company will begin recovering lost revenues plus interest from its firm service classifications (excluding residential heating). Lost revenues plus interest associated with energy efficiency programs for the period January 2011 through December 2011 for these firm service classifications totaled \$1,249,391.40. Accordingly, the resultant SBC factor for all firm classes other than residential heating effective June 1, 2012 is \$0.0120/per therm. The workpaper illustrating the development of this adjustment to the SBC factor is contained in Attachment A.

Please contact the undersigned if you have questions or require further information.

Yours truly,

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Regulation & Pricing

Enclosures

cc: Active Parties – Case 06-G-1186