

December 20, 2019

Honorable Michelle Phillips, 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 No. 17-E-0238 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation d/b/a National Grid for Electric Service

Dear Secretary Phillips:

The attached Revenue Decoupling Mechanism ("RDM") Statement, issued by Niagara Mohawk Power Corporation, d/b/a National Grid, is being transmitted for filing in accordance with the requirements of the State of New York Public Service Commission.

Revenue Decoupling Mechanism ("RDM") Statement No. 38

To P.S.C. No. 220 Electricity

Effective: December 31, 2019

The Revenue Decoupling Mechanism Statement is being issued per the above Order and Rule No. 57 – Revenue Decoupling Mechanism in PSC No. 220 Electricity. In accordance with Rule No. 57.2, if in any month the total of the cumulative monthly reconciliation balance, based on monthly actual billed delivery service revenue and an allocation of the annual target revenue for the applicable reconciliation period, is greater than 1.5% of the Company's annual target revenue for that reconciliation group for that year, the Company will file an interim RDM adjustment.

The RDM interim adjustment on the attached statement reflects a credit for customers in the Service Classification No. 3A reconciliation group.

Attachment 1 included with this filing contains the derivation of these rates.

The Company would also like to clarify that RDM Statement No. 37, filed on November 18, 2019, did include Service Classification No. 1C customers, as they are part of the same RDM reconciliation group as Service Classification No. 1. The credit calculated as part of this filing did include Service Classification No. 1C revenues and forecasted kWh, and these customers still received the credit. However, the Company inadvertently omitted Service Classification No. 1C from RDM Statement No. 37 and the associated Filing Letter. To clarify this, the Company has updated page 3 of RDM Statement No. 38 to include Service Classification No. 1C.

The RDM Statement No. 38 is effective December 31, 2019 through March 30, 2020 for batch billed customers and January 1, 2020 through March 31, 2020 for calendar month billed customers.

Please notify the undersigned of any actions taken in regards to this filing.

Sincerely,

/s/ Carol Teixeira

Carol Teixeira Manager – New York Electric Pricing

BMF/CT