



May 27, 2015

Honorable Kathleen H. Burgess, Secretary
State of New York
Public Service Commission
Office of the Secretary
Three Empire State Plaza
Albany, NY 12223

Dear Secretary Burgess:

The attached statement, issued by Niagara Mohawk, d/b/a/ National Grid ("Company"), is being transmitted for filing in accordance with the requirements of the New York State Public Service Commission ("Commission"):

Statement of Supply Service Charges No. 42

To P.S.C. No. 220 Electricity

Effective: June 1, 2015

The above statement is being filed in accordance with Rule No. 46.4-Supply Service Charges in PSC No. 220 Electricity. Attachment 1 of this filing displays the derivation of these charges. Also, included in this statement is the residential agricultural discount rate in accordance with Rule No. 46.2.6.7 in PSC No. 220 Electricity.

In accordance with Rule 46.3.4 of the tariff, the Company implemented the Supply Reconciliation Balance ("SRB") mechanism for Mass Market customers (SC-1 and SC-2ND) in the May ESRM rates filed last month. By delaying a portion of the ESRM reconciliation, the Company was able to mitigate large month to month variances for Mass Market customers caused by reconciliations from prior months. A portion of the balance is being credited back to customers in June ESRM rates and the remaining balance in the SRB will be credited back to customers in a subsequent month.

This Supply Service Charge Statement is to be filed with the Commission on not less than three (3) business days notice before the effective date. Supply Service Statement No.42 is effective June 1, 2015 for batch billed customers, and June 1, 2015 for calendar month billed customers.

Please direct any questions regarding this filing to the undersigned.

Sincerely,

Carol Teixeira,
Manager, NY Electric Pricing
(315) 428-6104

Attachment: SC42