## nationalgrid

Melissa R Nairn Manager - NY Gas Pricing

April 23, 2015

Honorable Kathleen H. Burgess, Secretary State of New York **Public Service Commission** Office of the Secretary, 19th floor Three Empire State Plaza Albany, New York 12223

RE: Case No. 14-G-0315 - Tariff filing by KeySpan Gas East Corp. dba National Grid to modify P.S.C. No. 1 - Gas by amending and clarifying provisions related to electric generators that take transportation service

Dear Secretary Burgess:

KeySpan Gas East Corporation d/b/a National Grid ("Company") hereby submits the following tariff leaves to become effective on August 1, 2015:

Fifth Revised Leaf No. 120 Third Revised Leaf No. 157.1 Seventh Revised Leaf No. 186 Second Revised Leaf No. 189 Sixth Revised Leaf No. 190 Second Revised Leaf No. 194 Sixth Revised Leaf No. 211 Second Revised Leaf No. 212 Seventh Revised Leaf No. 215 Ninth Revised Leaf No. 216 Second Revised Leaf No. 217

After discussions with Staff of the Department of Public Service, the Company proposes the following revisions to the Company's July 22, 2014 tariff filing in the above-referenced matter:

- 1. Clarify that customers taking service under Service Classification No. 1 Residential Distributed Generation Service ("SC 1DG") may supply electricity they generate to the local electric utility.
- Revise Service Classification No. 17 Baseload Distributed Generation Service ("SC 17") and Service Classification No. 15 – High Load Factor Service ("SC 15") to allow customers to supply electricity they generate to the local electric utility.

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- 3. Clarify that SC 17 is applicable to distributed generation customers and remove the requirement that customers certify that they are using qualifying cogeneration equipment.
- 4. Broaden the applicability of SC 15 to include generation and/or other gas fired technologies that have annual load factors of 50% or greater.
- 5. Clarify that SC 15 is for customers that have generation capacity of less than 50 megawatts.
- 6. Include a new pricing provision to cap the overall transportation rate charged to customers taking service under Service Classification No. 14 – Electric Generation Service ("SC 14") and Service Classification No. 7 – Interruptible Transportation Service ("SC 7") to no greater than the otherwise applicable interruptible transportation rate. The Company proposes to reduce the Value Added Charge to the extent necessary to remain within the cap.
- 7. Correct an inadvertent change to the Company's Tennessee cash out price under the Daily Balancing Program to use the Texas Eastern M3 published index.

In accordance with Section 720-2.3 of the Commission's Regulations (16 NYCRR § 720-2.3), a proposed notice of this filing suitable for use under the State Administrative Procedure Act is also enclosed.

Please contact Melissa R. Nairn with any questions regarding this letter or the enclosure at (929) 324-4587 or Melissa. Nairn@nationalgrid.com.

Respectfully Submitted,

/s/ Melissa R. Nairn

Melissa R. Nairn Manager, NY Gas Pricing