



January 21, 2014

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 12223-1350

RE: Case 13-E-0232- Order Distributing Constellation Settlement Refunds to Electric Utility Customers

Dear Secretary Burgess:

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

Market Settlement Statement No. 2

To PSC No. 220 Electricity

Effective: January 30, 2014

On October 11, 2013, the Company submitted Market Rate Settlement Statement No.1 in response to the above order which directed the listed utilities to implement their plans for the implementation of customer refunds as described in this order. The Company was also approved to distribute the refund to its customers in one month during the November 2013 billing cycle.

In accordance with Rule No. 31.1.2 of PSC No. 220 and as referenced in the above order, the Company reconciled the November 2013 bill credit based upon actual usage with any over/under amount collected to be refunded or collected from customers. As per Attachment 1, the Company's amount to be refunded with interest in November was \$10,424,691. The actual amount refunded to customers was \$11,249,165, therefore, the Company had an overpayment in the amount of \$824,474. Based on forecast sales for February 2014, the surcharge to customers will be \$0.00029 per kilowatt hour for a one month period. Any over/under collection after this one month period, will be included in the Company's Revenue Decoupling Mechanism.

The attached Statement sets forth the surcharge that will be applied to batch billed customer's usage effective January 30, 2014 through February 27, 2014 and calendar month customer's usage January 1, 2014 through January 31, 2014.

Please contact the undersigned of any action taken regarding this filing.

Sincerely;

/s/ Patricia J. Rivers

Patricia J. Rivers
Lead Rate Analyst
Electric Pricing

PJR