



February 25, 2013

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

Dear Secretary Brilling:

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. 15
To P.S.C. No. 220 Electricity
Effective: February 28, 2013

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.

Please note that this statement includes the implementation of a revised expense reconciliation methodology for the ESRM that was approved by PSC staff following the Semi-Annual Electric Supply Portfolio Review meeting in December. This methodology aligns the costs and revenues better, by comparing the current month ESCost revenue to purchased power costs that consist of half of the current month costs and half of the prior month's costs. Since this is the first month of the revised reconciliation methodology, the ESRM is a sizable credit to customers' bills. Going forward, this methodology should mitigate the volatility within the ESRM reconciliation each 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. 15 is effective February 28, 2013 for batch billed customers, and March 1, 2013 for calendar month billed customers.

Please direct any questions regarding this filing to the undersigned.

Sincerely,

/s/ Pamela B. Dise
Pamela B. Dise,
Manager-Electric Pricing
(315) 428-5172

Attachment:SC15