nationalgrid

September 12, 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 No. 12-E-0201 – 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 Burgess:

The attached Revenue Decoupling Mechanism ("RDM") Statement No. 12, 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. 12

To P.S.C. No. 220 Electricity

Effective: September 29, 2014

The Revenue Decoupling Mechanism Statement No. 12 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 surcharge for customers in the Service Classification No. SC2ND reconciliation group.

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

The RDM Statement No. 12 is effective September 29, 2014 for batch billed customers and October 1, 2014 for calendar month billed customers and will be in effect through March 31, 2015.

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

Sincerely,

/s/ Carol Teixeira

Carol Teixeira Manager - Electric Pricing