



Jeremy J. Euto
Senior Counsel

May 14, 2014

VIA ELECTRONIC MAIL

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

Re: Case No. 14-M-0039 –Tariff filing by Niagara Mohawk Power Corporation d/b/a National Grid and KeySpan Gas East Corporation d/b/a Brooklyn Union of L.I. to establish fees for residential customers who choose to opt out of using Automated Meter Reading devices.

Dear Secretary Burgess;

Enclosed are the following tariff leaves transmitted for filing by Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid” or “Company”) in accordance with the requirements of the New York State Public Service Commission (“Commission”):

First Revised Leaf No. 120.1
Second Revised Leaf No. 121
To Schedule for Electric Service, P.S.C. No. 220-ELECTRIC
Effective: July 1, 2014

On February 6, 2014 the Company submitted a tariff filing to update the Company’s electric tariff to reflect National Grid’s policies regarding the use of Automated Meter Reading (“AMR”) devices. The Company has deployed AMR devices throughout its service territory to allow it to remotely read electric and gas meters. The proposed tariffs would allow residential customers to opt out of using AMR meters by electing to have the Company (i) install/maintain a non-AMR meter (that does not use a transmitter to remotely read the meter) at their premises and (ii) manually read their meters through in-person, bi-monthly meter reads. The purpose of this filing is to update the installation and meter reading fees filed in the Company’s February 6, 2014 filing.

Attached hereto as Attachment A are the Company’s workpapers supporting the rates charged to customers who opt out of AMR.

Waiver of the newspaper publication requirement of PSL § 66-12 and 16 NYCRR § 720.8 is requested for this filing. Customers will be notified of these changes in accordance with the Company’s customer communication plan, which will include, among other things, notice of the fees when a customer elects to opt out of AMR metering.

Please contact the undersigned if you have any questions regarding this filing or the enclosed documents.

Respectfully submitted;

/s/ Jeremy Euto

encl.

Niagara Mohawk Power Corporation d/b/a National Grid
Meter Change and Meter Read Cost Calculations**METER CHANGE COST CALCULATIONS**

Job	Date	Labor Times (minutes)			Average Straight Time Hourly Rate	Labor and Capital Burdens	Straight Time Cost Per Job (f) = $((c)/60)*(d)*(1+(e))$	Fee (g)
		Travel	Wrench Time	Total Job Time				
		(a)	(b)	(c)	(d)	(e)		(g)
Gas	2012	13	29	42	\$ 36.57	147%	\$63.19	\$63.19
Electric	2012	15	14	29	\$ 36.57	141%	\$42.61	\$42.61
Combined	2012	15	43	58	\$ 36.57	141%	\$85.23	\$85.23

METER READ COST CALCULATIONS

Job	Date	Labor Times (minutes)			Average Straight Time Hourly Rate	O&M Labor Burdens	Straight Time Cost Per Job (f) = $((c)/60)*(d)*(1+(e))$	Monthly Charge 1) (g)= (f)/2
		Travel	Wrench Time	Total Job Time				
		(a)	(b)	(c)	(d)	(e)		(g)
Gas	2012	13	12	25	\$ 32.82	30%	\$17.73	\$8.87
Electric	2012	15	9	24	\$ 32.82	30%	\$17.02	\$8.51
Combined	2012	15	21	36	\$ 32.82	30%	\$25.53	\$12.77

1) The Company will manually read meters every other month,
and will charge 50% of the cost of the manual read every month

Note:

Time based on CMS FY14 work plan

Burdens percentages based on 12-month ending October 2012

Labor costs based on October 2012 wages

Source:

Column (d) = Attachment C, schedule 2

Column (e) = Attachment C, schedule 3

Niagara Mohawk Power Corporation d/b/a National Grid
Average Straight Time Hourly Rate

	(a)	(b)	(c) = ((a/b)/2080)	(d)	(e)	(f) = ((d/e)/2080)	(g) = (a-d)	(h) = (b-e)	(i) = ((g/h)/2080)
Date	CMS Field Service Tech and Meter Readers			Meter Readers			Cost Excluding Meter Readers		
	Total Dollars	Total Staffing	Hourly Salary	Total Dollars	Total Staffing	Hourly Salary	Total Dollars	Total Staffing	Hourly Salary
Oct-2012	\$24,331,478	356	\$ 32.82	\$8,663,296	150	\$ 27.69	\$15,668,182	206	\$ 36.57

Niagara Mohawk Power Corporation d/b/a National Grid
Labor and Capital Burdens Average Percentages
Twelve Month Ended Average

Labor and Capital Burdens for Meter Change:

Peoplesoft Code	Description	Gas	Electric
		Average Twelve Months Ended Oct-12	Average Twelve Months Ended Oct-12
B06	Pension	29%	29%
B01	OPEBs	35%	35%
B03	FAS 112 Benefits	3%	3%
B09	Payroll Taxes	11%	11%
B03	Healthcare	13%	13%
B04	Group Insurance	1%	1%
B07	401K Match	4%	4%
B30	Variable Pay	5%	5%
B50	Time Not Worked	19%	19%
B08	Workers Compensation	3%	3%
-	Capital Overheads	23%	17%
Total Labor and Capital Burdens for Meter Change		147%	141%

Labor Burdens for Meter Read:

Peoplesoft Code	Description	Average Twelve Months Ended Oct-12
B09	Payroll Taxes	11%
B50	Time Not Worked	19%
Total Labor Burdens for Meter Read		30%

Niagara Mohawk Power Corporation d/b/a National Grid
Monthly Labor and Capital Burdens Percentages

Description													Gas	Electric
	Nov-2011	Dec-2011	Jan-2012	Feb-2012	Mar-2012	Apr-2012	May-2012	Jun-2012	Jul-2012	Aug-2012	Sep-2012	Oct-2012	Average Twelve Months Ended Oct-12	Average Twelve Months Ended Oct-12
Pension	26.91%	26.91%	26.91%	26.91%	26.91%	31.68%	31.68%	31.68%	31.68%	31.68%	31.68%	27.94%	29%	29%
OPEBs	41.62%	41.62%	41.62%	41.62%	41.62%	31.40%	31.40%	31.40%	31.40%	31.40%	31.40%	24.05%	35%	35%
FAS 112 Benefits	0.81%	0.81%	0.81%	0.81%	0.81%	4.24%	4.24%	4.24%	4.24%	4.24%	4.24%	6.56%	3%	3%
Payroll Taxes	14%	14%	14%	14%	14%	8%	8%	8%	8%	8%	8%	8%	11%	11%
Healthcare	11.36%	11.36%	11.36%	11.36%	11.36%	14.16%	14.16%	14.16%	14.16%	14.16%	14.16%	17.34%	13%	13%
Group Insurance	1.35%	1.35%	1.35%	1.35%	1.35%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%	0.75%	1%	1%
401K Match	4.18%	4.18%	4.18%	4.18%	4.18%	3.47%	3.47%	3.47%	3.47%	3.47%	3.47%	3.20%	4%	4%
Variable Pay	9.39%	5.53%	5.53%	4.57%	2.32%	5.99%	5.99%	5.99%	5.92%	5.92%	3.97%	3.97%	5%	5%
Time Not Worked	19.90%	19.90%	18.50%	17.20%	16.60%	19.10%	19.10%	19.10%	19.10%	19.10%	19.10%	19.10%	19%	19%
Workers Compensation	4.08%	4.08%	4.08%	4.08%	4.08%	3.36%	3.36%	3.36%	3.36%	3.36%	3.36%	0.27%	3%	3%
Capital Overheads - Gas	11.51%	15.98%	18.72%	18.72%	75.44%	18.93%	24.59%	24.88%	20.17%	15.85%	26.55%	4.44%	23%	
Capital Overheads - Electric	18.98%	14.13%	8.89%	8.89%	18.13%	31.28%	20.84%	19.73%	18.84%	6.78%	20.61%	19.61%		17%
Total													147%	141%