



Melissa R. Nairn
Manager – NY Gas Pricing

December 29, 2015

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

Dear Secretary Burgess:

In accordance with Section 720-2 *et al.* of the Commission's Regulations, 16 NYCRR § 720-2 *et al.*, Niagara Mohawk Power Corporation d/b/a National Grid ("Company") hereby submits the tariff leaves listed on Attachment 1 to become effective November 1, 2016.

The purpose of this filing is to amend the Company's tariff to add and clarify provisions related to electric generators that take transportation service under Service Classification No. 14 – Gas Transportation Service for Dual Fuel Electric Generators ("SC 14"). These proposed tariff changes are also intended to align the Company's electric generator tariff provisions with those of National Grid's two downstate New York LDCs, The Brooklyn Union Gas Company d/b/a National Grid NY ("KEDNY") and KeySpan Gas East Corporation d/b/a National Grid ("KEDLI").

The Company is proposing to make the following changes:

- To offer a daily balancing service to electric generators to the extent there is sufficient operational flexibility and subject to prior approval by the Company.
- To establish daily balancing provisions that are aligned with those of KEDNY and KEDLI which are applicable to electric generators taking daily balancing service. These provisions specify cashout tier limits and cashout prices for daily imbalances.
- To implement a daily balancing service demand charge applicable to electric generators taking daily balancing service to recover the cost of firm capacity assets used by the Company to provide daily balancing service.
- To add and clarify provisions addressing negotiated gas transportation service options under SC 14.
- To clarify the unauthorized gas use provisions and charges for unauthorized gas use.

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- To add a new provision that address operational flow orders (“OFO”s) and noncompliance penalties.
- To add a new provision that enables the Company to require electric generators to install and pay for a remote operated valve if the generator fails to comply with a Company issued interruption. Additionally, the Company may require new electric generators taking service under SC 14 to install and pay for remote operated valves.
- To add a new provision that enables the Company to waive the dual fuel requirement of SC 14 subject to the Company’s assessment that system reliability would not otherwise be compromised.

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

Any questions regarding this filing should be directed to Kellie Smith at (315) 428-6533 or at Kellie.Smith@nationalgrid.com.

Sincerely,

/s/ Melissa R. Nairn

Melissa R. Nairn
Manager, NY Gas Pricing

Attachment 1

Second Revised Leaf No. 217
Sixth Revised Leaf No. 218
Fourth Revised Leaf No. 219
Third Revised Leaf No. 219.1
Fourth Revised Leaf No. 219.2
Original Leaf No. 219.3
Original Leaf No. 219.4
Second Revised Leaf No. 220
Sixth Revised Leaf No. 221
Second Revised Leaf No. 222
Second Revised Leaf No. 223
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First Revised Leaf No. 227
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Third Revised Leaf No. 229