



October 25, 2016

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

Dear Secretary Burgess:

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. 59

To P.S.C. No. 214 Electricity

Effective: October 28, 2016

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 the reconciliation of September revenue and expenses created a large Electricity Supply Reconciliation Mechanism ("ESRM") credit owed to Mass Market customers (SC-1 and SC-2ND) in November. Therefore, in accordance with Rule 46.3.4 of the tariff, the Company implemented the Supply Reconciliation Balance ("SRB") mechanism for the Mass Market customers which is included in the November ESRM rate shown on the P.S.C No. 220 statement. By delaying a portion of the ESRM reconciliation, the Company can mitigate the large month to month bill variances for customers that are caused by reconciliations from prior months.

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.59 is effective October 28, 2016 for batch billed customers, and November 1, 2016 for calendar month billed customers.

Please direct any questions regarding this filing to the undersigned.

Sincerely,

Carol Teixeira,  
Manager, NY Electric Pricing  
(315) 428-6104

Attachment: SC59