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> NIAGARA MOHAWK POWER CORPORATION A National Grid Company 300 Erie Boulevard West Syracuse, New York 13202 June 13, 2002

Honorable Janet Hand Deixler State of New York Public Service Commission Office of the Secretary, 19th Floor Three Empire State Plaza Albany, NY 12223

Dear Secretary Deixler:

The enclosed leaves, issued by Niagara Mohawk are transmitted for filing in accordance with the requirements of the Public Service Commission, State of New York:

Third Revised Leaf No. 71 First Revised Leaf No. 93.1 Original Leaf No. 93.2 To P.S.C. No. 218 Gas Effective: August 23, 2002

The purpose of this filing is to modify Rule 16 - Special Services Performed By Company for Customer at a Charge. Specifically, the filing adds Rule 16.4 in order to allow customers to request the Company provide demand pulse capability on their gas meters to enable the customer to receive electronic pulse information for input into customer-owned energy management systems.

These Energy Management Programs typically collect inputs from all of the energy-using systems in a building. Computer programs run the building based on occupancy, weather, and schedule. Gas and electric demands are inputs into the operation of the systems that generate outputs for control as well as summaries of energy use and building performance.

In addition to wanting demand pulses to provide input for energy management systems, customers have requested them for other reasons. The demand pulses allow customers to summarize and analyze natural gas consumption. This data is needed to track implementation of energy efficient projects. Some customers wish to monitor consumption without performing physical meter readings around the clock. Others find the data useful in developing billing accruals to manage a month-to-month energy budget. For a customer taking gas service as a Gas Transportation Service with Standby Sales Service customer (SC 8), the data can be used to determine or manage a Daily Elected Contract Demand Level (d1), or even to monitor a d1 election in the event of a gas curtailment.

Consumption data provided by demand pulses is raw data and is not adjusted by the applicable BTU zone factor. Customers participating in Daily Balancing use Approved Remote Meters (ARMs), and may obtain billing quality data from the Company's website by utilizing a separate, customer-owned telephone line and requesting to interface with the Company's data collection system.

The Company's electric tariff currently includes Customer Requested Enhanced Metering provisions allowing electric customers to request this type of service. The addition of Rule 16.4 would provide for increased consistency between the electric and gas services offered by the Company as well as respond to requests from our customers.

Rule 16.4.1.3 provides for a charge of \$115 per visit in the event the customer is unable to read the meter through a customer provided phone line and the problem is not caused by the Company's meter or equipment.

Rule 13.5 of the Company's tariff sets forth the procedures for customers who are required to install Approved Remote Meters (ARMs). The Company has also added the \$115 charge to Rule 13.5.3 and 13.5.4 for site visits related to non-functioning ARMs. This charge would only apply if it is determined that the sole problem relates to the customer's phone line and/or electric service. The workpapers related to the development of the \$115 charge have been sent directly to the Commission's Staff.

Newspaper publication of the proposed tariff changes will be made in accordance with 16NYCRR 720-8.1 on June 26, July 3, 10, and 17, 2002.

A State Administrative Procedures Act (SAPA) Notice is enclosed for publication in the State Register.

Please address any questions regarding this filing directly to Paula Relyea at (315) 460-4054. Please advise the undersigned of any action taken in regards to this filing.

Sincerely,

Marcia G. Collier Manager, Gas Rates

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