..DID: 12145

..TXT:

NIAGARA MOHAWK POWER CORPORATION

June 13, 2000

Honorable Janet Hand Deixler Secretary State of New York Department of Public Service Three Empire Plaza Albany, New York 12223

Dear Secretary Deixler:

Attached for filing in accordance with the requirements of the Public Service Commission of the State of New York are the following tariff leaves:

Cancellation Supplement No. 27

To P.S.C. No. 218 Gas

Effective: July 13, 2000

On March 10, 2000, the Company filed tariff revisions in order to require stand-alone customers who did not have a supplier of natural gas for a period of more than thirty days to be returned to sales service and to be subject to the term provisions of the applicable sales service classifications. This filing was made in that the Company currently had ten stand-alone customers who did not have a supplier of commodity for periods ranging from three months to twenty months and therefore, were subject to underdelivery cashout for 100 percent of their consumption. The underdelivery cashout resulted in penalties to these customers of up to 40 percent.

As a result of discussions with the Commission Staff relating to the return of delivery service customer to sales service, the Company is withdrawing the tariff leaves filed on March 10, 2000 in Case No. 00-G-0473. The above listed cancellation supplement cancels the affected leaves.

The Company requests permission for this filing to become effective on less than statutory notice effective June 22, 2000 the otherwise effective date of the original March 10, 2000 filing.

The Company requests waiver of newspaper publication of the proposed changes required by 16 NYCRR 720-8.1 as the changes filed herein have no significant impact on the Company * s customers.

Any questions related to this filing can be addressed to Marcia Collier on 315-428-5692. Please advise Marcia of any action taken in regard to this filing.

Sincerely,

Marcia G. Collier Manager Gas Rates