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NIAGARA MOHAWK POWER CORPORATION
A **National Grid** Company
300 Erie Boulevard West
Syracuse, New York 13202
May 22, 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

RE: Case No. 99-E-0503/Case No. 01-G-0765
In the Matter of the Rules and Regulations of the Public Service
Commission, Contained in 16 NYCRR in Relation to Complaint
Procedures - Appeal of Niagara Mohawk Power Corporation of the
Informal Decision Rendered in Favor of City Mission Society, filed
in C 26358.

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:

Tenth Revised Leaf No. 134
Second Revised Leaf No. 136.1
First Revised Leaf No. 136.2
First Revised Leaf No. 136.3
Third Revised Leaf No. 213.2

To P.S.C. No. 218 Gas

Effective: July 7, 2002

Purpose

The purpose of this filing is to revise the filing proposing to
amend the applicability criteria for entry into residential service
classifications under P.S.C. No. 218 which was originally filed with the
Commission on June 1, 2001.

Introduction

In its Order issued and effective April 3, 2001 in Case No. 99-E-0503, "In the Matter of the Rules and Regulations of the Public Service Commission, Contained in 16 NYCRR in Relation to Complaint Procedures - Appeal of Niagara Mohawk Power Corporation of the Informal Decision Rendered in Favor of City Mission Society, filed in C 26358," the Commission directed Niagara Mohawk to file a plan, within 60 days of the effective date of the Order, (i) to provide notice to affected customers of eligibility for residential rates pursuant to Public Service Law Section 76; (ii) to identify, upon request, other religious entities similarly situated to City Mission; (iii) to provide residential rates to any accounts improperly classified; and (iv) to provide six years of refunds from the date of a request for billing at the residential rate. Based on discussion with the Office of Consumer Services, the attached filing has been modified from the original submittal dated May 31, 2001. Modifications include the removal of language in Special Provision E regarding the purveyance of religious doctrine and employee requirements. Although still referenced, the predominant use calculation has been removed from the filing. Language has been added in Special Provision E to more clearly define reasonably incidental use versus non-religious use. In addition, a section has been added that lists typically non-qualifying uses.

Additionally, in accordance with Section 1.6.9 of the Joint Proposal, dated October 11, 2001, in Case No. 01-M-0075, any increased revenues associated with compliance activities in connection with Case No. 99-E-0503 will be deferred into the Company's Contingency Reserve Account for future customer benefit.

Waiver of newspaper publication as required in 16NYCRR 720-8.1 is requested for this filing due to the fact that the Company will be sending a letter to all affected customers informing them of their options under the terms and conditions set forth in the plan.

Inquiries regarding this filing should be directed to Ms. Lynette Christensen, (315) 428-3344.

Please advise the undersigned of any actions taken in regards to this filing.

Sincerely,

Marcia G. Collier
Manager, Gas Rates

MGC/jsc (L:tariff/218tarif/wpfiles/letters/Lett209)