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NIAGARA MOHAWK POWER CORPORATION December 23, 1997

Honorable John C. Crary Secretary Public Service Commission Three Empire State Plaza Albany, New York 12223

Dear Secretary Crary:

Enclosed for filing, effective January 1, 1998, in accordance with the regulations of the PSC of the State of New York, are the statements listed as follows:

	s
Commodity Cost Adjustment Clause Statement CCAC-5 1,2,& 3 Interruptible Rate Statement IRS-5 4	
Transportation Rate Statement TRA-5 5,7,8,9,12 & 13	
NGV Rate Statement NGV-5 10	
Statement of Cashout CASH-5 Cashout	
Statement of Scheduling Penalties No.SCHED-3 Scheduling Penaltie	28

The Appendix 7-H format and the Weighted Average Cost of Capacity Workpaper (WACC) have been sent directly to the Commission's Staff.

One complete hardcopy of the Commodity Cost Adjustment Clause in 7-H Format including all workpapers required by the Commission's September 20, 1990, Order in Case 21656, is being forwarded to the Records Access Officer because Niagara Mohawk seeks confidential trade secret protection pursuant to Subpart 6-1 of the Commission's Regulations (NYCRR Subpart 6-1) for portions of workpapers to the Commodity Cost Adjustment Clause, Pages 1 through 8.

Very truly yours,

David P. Stempowski Senior Gas Rate Analyst

Enclosure