..DID: 7384

..TXT:

NIAGARA MOHAWK POWER CORPORATION

February 9, 1999

Honorable Debra Renner, Acting Secretary State of New York Public Service Commission Office of the Secretary, 19th Floor Three Empire State Plaza Albany, New York 12223

RE: Case No. 98-G-1292

Dear Acting Secretary Renner:

The attached leaf and supplement, issued by Niagara Mohawk Power Corporation ("Company"), are being transmitted for filing pursuant to Order of the Public Service Commission, State of New York, in Case No. 98-G-1292 issued and effective November 24, 1998.

Second Revised Leaf No. 133 Fourth Revised Leaf No. 134

Supplement No. 15

To P.S.C. No. 218 Gas

Effective: February 12, 1999

The purpose of this filing is to cancel Supplement No. 12 under authority of Order in Case No. 98-G-1292 issued and effective November 24, 1998 which had suspended the effective dates of the leaves that were filed September 11, 1998 and October 26, 1998 proposing to revise certain rates and charges and amend tariff language to conform to the billing specifications of the Company*s new billing system, Customer Service System (CSS). This Order authorized Niagara Mohawk to file supplements on not less than one days notice to become effective when the CSS system is operational, canceling the postponement of the supplements previously filed with the Commission. It has been decided that the Company will convert to the CSS system effective with billing batch 11 on February 12, 1999. This filing makes effective the prices and tariff amendments specifically designed for CSS. Supplement No. 15 also cancels First Revised Leaf No. 82 and First Revised Leaf No. 134 which were originally filed on September 11, 1998.

Also Fourth Revised Leaf No. 134 has been included with this filing, to become effective on one days notice, to update a revision related to Veterans Organizations* eligibility for the residential rate which was approved subsequent to the implementation of the CSS filing.

The price and tariff amendments included with this filing are specifically intended to conform with the requirements of the CSS. These amendments will become effective Friday, February 12, 1999 and subject to meter readings on this day for accounts in billing cycle number eleven for February. The actual conversion from the existing billing system to CSS will occur over

the weekend of Saturday and Sunday February 13 and 14 respectively. As with any major project of this type, the situation may occur that the conversion*s completion could be canceled due to unforeseen problems or any other unknown circumstances that arise during conversion weekend. If this situation occurs the Company may be required to cease the CSS conversion and revert to the current billing system for production billing until CSS related issues are resolved. Under this circumstance the prices and tariff amendments included with this filling that became effective February 12 would not be, in some cases, the prices and tariff conditions which apply to current billing system. The Company purposes that if these situations occur that it: 1) be able to resume using the prices and tariff conditions associated with the current billing system over the weekend and on Monday, February 15 1999; and 2) this immediate filing be withdrawn on Tuesday, February 16, 1999, and previous prices and tariff conditions be reinstated. The Company would submit to the Commission the appropriate documentation to immediately announce the reversal of the conversion decision and the request to reinstate the previously existing tariff amendments. Once a new CSS conversion date is established, the Company would resubmit the CSS related tariff amendments to become effective at that point in time.

Also, as recommended in Ordering Clause No. 3 of the above referenced Order, the requirement of Section 66(12) (b) of the Public Service Law as to newspaper publication has been waived.

The notation as prescribed by 16 NYCRR 270.46 has been placed on Supplement No. 15.

Please advise the undersigned of any action taken with respect to this filing.

Very truly yours,

Marcia G. Collier Manager Gas Rates

MGC/cjb