



James J. Bonner  
*Manager – Electric Pricing*

March 22, 2006

Honorable Jaclyn A. Brillling, Secretary  
State of New York  
Public Service Commission  
Office of the Secretary, 19th Floor  
Three Empire State Plaza  
Albany, NY 12223

Dear Secretary Brillling:

Enclosed herewith for filing in accordance with the requirements of the Public Service Commission, State of New York is a copy of the following Statement issued by Niagara Mohawk.

Statement of Commodity Adjustment Charge  
Statement No. 54  
To P.S.C. 214 Electricity

Effective: April 1, 2006

This Statement of Commodity Adjustment Charge (CAC) is being filed per Rule No. 29—Delivery Charge Adjustment (DCA). Specifically, Rule No. 29.2 describes the calculation of the CAC which adjusts the Delivery Charge Adjustment prices for deviations between actual costs of unhedged energy and capacity for purchased power and Electricity Supply Service (ESS) revenues collected from customers through their service bills.

Statement of Commodity Adjustment Charge No. 54 is effective March 31, 2006 for batch billings and April 1, 2006 for calendar month billings.

Please notify me of any action taken in regards to this filing.

Sincerely,

Patricia Rivers  
Senior Rate Analyst