

# Niagara Mohawk

A **National Grid** Company



December 21, 2004

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

RE: Case No. 03-E-0188  
Order Regarding Retail Renewable Portfolio Standard

Dear Secretary Brillling:

Enclosed for filing with the Commission are an original and three copies of Niagara Mohawk Power Corporation's (Niagara Mohawk or Company) leaves being filed in compliance with the Public Service Commission's Order in Case No. 03-E-0188 issued and effective September 24, 2004.

Statement of Renewable Portfolio Surcharge-Statement No. 1

To P.S.C. No. 214 Electricity

Effective: October 1, 2005

In February, 2003, a proceeding was instituted to explore the development of a Renewable Portfolio Standard (RPS) Program to increase the proportion of renewable energy that is consumed by retail Customers in New York State. The RPS is a recognized means of increasing the proportion of non-fossil fuel electricity purchases in a given jurisdiction.

The purpose of this filing is to comply with Ordering Clause No. 7, and establish Rule No. 49-Renewable Portfolio Surcharge and the Renewable Portfolio Surcharge Statement No. 1, both effective October 1, 2005 in compliance with this Order.

The Company proposes an RPS collection rate of \$.000276/kWh to be effective on October 1, 2005 and will remain in effect until September 30, 2006. This collection rate is based on the sales forecast for Rate Year 2005 obtained from the Company's First Competitive Transition Charge ("CTC") Reset Filing in Case No. 01-M-0075 issued August 1, 2003.

The attachments that support the RPS calculation and the development of the proposed RPS collection rate are included with the companion PSC No. 207 Electricity filing.

Also as per Ordering Clause No. 7 of the above Order, the requirements of §66(12)(b) of the Public Service Law as to newspaper publication of the tariff revisions is waived.

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

Sincerely,

Patricia J. Rivers  
Senior Rate Analyst  
Electric Pricing Department

PJR