NIAGARA MOHAWK POWER CORPORATION

A **National Grid** Company 300 Erie Boulevard West Syracuse, New York 13202 June 27, 2003

Honorable Janet Hand Deixler, Secretary State of New York Public Service Commission Office of the Secretary, 19th Floor Three Empire State Plaza Albany, New York 12223-1350

Dear Secretary Deixler:

The attached Statement of Revenue Tax Surcharge, issued by Niagara Mohawk Power Corporation, is being transmitted for filing in accordance with the requirements of the Public Service Commission, State of New York under Rule 19 of PSC 218 Gas:

Statement of Revenue Tax Surcharge No. 10

To PSC No. 218 Gas

Effective: July 12, 2003

The purpose of this filing is to update the Statement of Revenue Tax Surcharge to include recovery of a 1% tax on gross income of utilities as imposed on the Village of Greenwich in the County of Washington, New York as empowered and adopted by the Village Board of Trustees as Local Law No. 1 of 2003 and filed with the Secretary of State of New York on April 16, 2003.

Please advise the undersigned of any action taken with respect to this filing. I can be reached at (315) 428-5692.

Very truly yours,

Marcia G. Collier Manager, Gas Rates

LETT260

MGC/jsc (S:\tariffs\218tariff\docfile\letters\lett260)