



June 1, 2010

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

RE: Case No. 03-E-0188 – Proceeding on Motion of the Commission Regarding a Retail Renewable Portfolio Standard – *Order Authorizing Customers-Sited Tier Program Through 2015 and Resolving Geographic Balance and Other Issues Pertaining to the RPS Program*

Dear Secretary Brillling:

The attached Renewable Portfolio Standard (“RPS”) Surcharge Statement No. 3, issued by Niagara Mohawk Power Corporation, d/b/a National Grid, is being transmitted for filing in compliance with Order issued April 2, 2010 (“the Order”) by the New York State Public Service Commission (“Commission”):

Statement of Renewable Portfolio Surcharge-Statement No. 3

To P.S.C. No. 220 Electricity

Effective: July 1, 2010

This filing is being issued in compliance with the Order issued April 2, 2010 in the above referenced proceeding which augmented the current RPS funding levels. The RPS is New York’s primary policy initiative to promote the development of new renewable energy resources since it was established in 2004. When the RPS was established, the Commission set an initial schedule of collections to fund most of the program’s estimated costs through 2013. During 2009, the Commission undertook a planned mid-course review of the existing RPS program and goals. The Order issued April 2, 2010 completes the mid-course review of these RPS programs and establishes new budgets and targets through 2015 and increases the collection of costs associated with these programs from utility customers.

Ordering Clause No. 6 of this Order directed the listed utilities to file tariff amendments and/or statements incorporating the revisions and increased collections of RPS costs described in this Order on not less than 30 days notice, to be effective on a temporary basis on July 1, 2010. The utility filings will not become effective on a permanent basis until approved by the Commission. This filing complies with this directive and proposes Statement of Renewable Portfolio Surcharge Statement No. 3 to PSC No. 220 Electricity effective July 1, 2010.

The attachments included with this filing support the incremental RPS collection amount and the development of the proposed RPS collection rate effective July 1, 2010 through September 30, 2010. All attachments are footnoted accordingly to describe the calculations used and the input data required to perform the reconciliation and the development of the proposed RPS collection rate. The attachments are as follows:

Attachment 1: RPS applicable sales for remaining collection period of July 1, 2010 through September 30, 2010.

Attachment 2: Development of RPS 3 Collection Rate-Effective July 1, 2010 through September 30, 2010.

Also as directed by ordering clause No. 6 of the Order, the requirements of Section 66(12)(b) of the Public Service Law as to newspaper publication of the changes proposed by these filings is waived.

Please direct any action regarding this filing to the undersigned.

Sincerely,

Patricia J. Rivers
Senior Rate Analyst
Electric Pricing Department
(315) 428-6833

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