

Pamela B. Dise Manager – Electric Pricing

February 22, 2012

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

Dear Secretary Brilling:

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. 36 To P.S.C. 220 Electricity

> > Effective: February 28, 2012

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. Rule 29 expires effective February 29, 2012. However, the CAC shall continue to be billed until the end of May 2012 in order to credit the remaining balance in the deferral account in accordance with the aggregate rate caps in Rule 29.2.10. The remaining balance represents deferred reconciliation amounts and carrying charges associated with cost months prior to January 2012.

Statement of Commodity Adjustment Charge No. 36 is effective February 28, 2012 for batch billings and March 1, 2012 for calendar month billings.

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

Sincerely,

Pamela B. Dise Manager—Electric Pricing

PBD Attachments

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