



July 19, 2011

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. 10-E-0050 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Electric Service - Order Establishing Rates for Electric Service

Dear Secretary Brillling:

The attached Revenue Decoupling Mechanism (“RDM”) Statement No. 1, issued by Niagara Mohawk Power Corporation, d/b/a National Grid, is being transmitted for filing in accordance with the requirements of the State of New York Public Service Commission.

Revenue Decoupling Mechanism (“RDM”) Statement No. 1

To P.S.C. No. 220 Electricity

Effective: July 29, 2011

The Revenue Decoupling Mechanism Statement No. 1 is being issued per the above Order and Rule No. 57 – Revenue Decoupling Mechanism in PSC No. 220 Electricity. Rule No. 57.2 requires the Company to file an interim RDM adjustment for any RDM reconciliation group or groups when actual total accumulated billed delivery service revenues varies plus or minus 1.5% or more from annual rate year delivery service revenues resulting from the Company’s general rate case in Case No. 10-E-0050.

The RDM interim adjustment on the attached statement reflects a credit for customers in the following reconciliation groups.

1. Service Classification No. 1 and Service Classification No. 1C
2. Service Classification No. 3A

The RDM Statement No. 1 is effective billing cycle 1, July 29, 2011, through billing cycle 20, December 28, 2011, for batch billed customers and August 1, 2011 through December 31, 2011 for calendar billed customers.

Please notify the undersigned of any actions taken in regards to this filing.

Sincerely,

Pamela B. Dise, Manager
Electric Pricing

PBD/PJC