

July 12, 2012

Via Electronic Mail

Hon. Jaclyn A. Brillling
Secretary to the Commission
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, NY 12223-1350

**Re: Case 12-E-0136 – Petition of Dunkirk Power LLC and NRG Energy, Inc. for
Waiver of Generator Retirement Requirements—Status Update**

Dear Secretary Brillling:

In his letter of June 11, 2012, Commission General Counsel Peter McGowan noted that National Grid and NRG were discussing, on an informal basis, terms that might be used in an agreement for the procurement of generation resources from NRG during the Dunkirk mothball period. Mr. McGowan requested that the parties make informational filings no later than July 12, 2012 as to whether an agreement has been reached. National Grid and NRG continue in negotiations to reach an agreement.

On behalf of National Grid and NRG, I am authorized to represent that the parties believe additional time could be beneficial in their efforts to reach agreement, and that submitting respective proposed terms at this time may be counterproductive. National Grid and NRG intend to continue discussions over the next several days and intend to update the Commission early next week on the status of those discussions.

Thank you for your attention to this matter.

Respectfully submitted,

/s/ Carlos A. Gavilondo
Carlos A. Gavilondo

cc (via electronic mail):

Service List Case 12-E-0136
Raj Addepalli
David Drexler
Peter McGowan
Tammy Mitchell