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April 27, 2018

VIA ELECTRONIC FILING

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Case 14-E-0423 – Proceeding on Motion of the Commission to Develop Dynamic Load Management Programs.

Case 15-E-0188 – Tariff Filing by New York State Electric & Gas Corporation to Effectuate Dynamic Load Management Programs.

Case 15-E-0190 – Tariff Filing by Rochester Gas and Electric Corporation to Effectuate Dynamic Load Management Programs.

Dear Secretary Burgess:

The enclosed tariff leaves issued by New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E"), (together the "Companies") are transmitted for filing in compliance with the New York Public Service Commission's (the "Commission") Order Directing Tariff Filings, issued and effective on April 19, 2018 (the "Order"), in the above referenced proceedings. The tariff leaves will become effective on May 1, 2018.

P.S.C. No. 120 – Electric, Schedule for Electric Service
Leaf No. 117.8, Revision 18
Leaf No. 117.46.8, Revision 2
Leaf No. 117.46.17, Revision 2
Leaf No. 117.46.19, Revision 2

P.S.C. No. 19 – Electric, Schedule for Electric Service
Leaf No. 86.11.1, Revision 0
Leaf No. 86.20, Revision 3
Leaf No. 86.23, Revision 2
Leaf No. 160.26.1, Revision 16

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Purpose of Filing

The Companies are filing amendments to its tariffs in compliance with Ordering Clause No. 1 of the Order to revise the cost recovery mechanisms for the Dynamic Load Management ("DLM") programs.

The collection of costs for the DLM programs will be recovered from all customers through the Transition Charge. The collection amounts for the Distribution Load Relief Program and Direct Load Control Program will be allocated to each service classification based upon each Companies' most recently approved primary distribution demand allocator. The collection amount for the Commercial System Relief Program will be allocated to each service classification based upon each Companies'most recently approved transmission plant allocator.

The charges will be recovered from non-demand billed customers on a per-kWh basis and from demand billed customers on a per-kW basis. The Companies will reconcile and update the DLM costs on an annual basis. These charges will be shown separately on a DLM Statement.

Cost Recovery

The Order directs the Companies to include the costs in the same line item as Value of Distributed Energy Resources ("VDER") costs are being recovered[1]. Additionally, the costs are to be tracked separately and reconciled annually. The Companies are concurrently submitting a separate filing to request an extension for the collection of the costs for the DLM programs to allow the Companies to complete programming and testing of its billing system. Included in that request is a proposal to postpone the filing of a DLM Statement until the Companies are able to begin collecting the costs through the Transition Charge as described herein.

Newspaper Publication

In accordance with Ordering Clause No. 2, the requirements of Section 66(12)(b) of the Public Service Law requiring newspaper publication has been waived.

Company Contacts

If there are any questions concerning this filing, please call Kathy Grande at (585)771-4514 or me at (607)762-8710.

Respectfully submitted,

Lori A Cole

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Enclosures

[1] The Companies are collecting the VDER costs via the Transition Charge. The costs will be collected by service classification.