



Lori A. Cole
Manager - Regulatory & Tariffs

March 16, 2017

VIA ELECTRONIC FILING

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

Re: Case 15-E-0302 - Proceeding on Motion of the Commission to Implement a Large-Scale Clean Energy Standard.

Dear Secretary Burgess:

The enclosed tariff leaves and Statements, 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 Amendments, issued and effective on February 22, 2017 (the "Order"), in the above referenced proceeding. The tariff leaves will become effective on April 1, 2017 and are listed on the Attachment.

Purpose and Overview of Filing

The Companies are filing amendments to its tariffs in compliance with Ordering Clause No. 1 of the Order to permit the recovery of the costs associated with the implementation of the Clean Energy Standard ("CES").

The Order requires that the Companies procure Renewable Energy Credits ("RECs") and Zero-Emission Credits ("ZECs") and pay an Alternative Compliance Payment ("ACP") for any shortage of RECs in their compliance amount at the end of a CES compliance year. The amendments allow for recovery of costs associated with RECs, ZECs and any ACP payments through a volumetric per kilowatt-hour ("kWh") surcharge billed to retail commodity customers. The Companies are recovering the RECs, ZECs and any ACP payments through the Supply Adjustment Charge component of the Supply Charge.

The CES Order also requires that the Companies collect and transfer funds to cover the costs associated with contracts signed by the New York State Energy Research and Development

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Authority (NYSERDA) to maintain certain baseline renewable energy resources at risk of attrition ("Tier 2 Maintenance Contracts"). The Companies will collect and transfer any monies required by NYSERDA to resolve cash shortages that may have resulted from its CES activities ("Backstop Charges"). The costs associated with Tier 2 Maintenance Contracts and Backstop Charges are to be recovered through a volumetric kWh delivery charge billed to all delivery service customers, including customers who receive their energy supply from the New York Power Authority (NYPA). The Companies will collect these costs through the System Benefits Charge. Customers that have energy usage exempt from the System Benefits Charge will be charged for these costs through a new line item on the bill.

Newspaper Publication

Requirements of Public Service Law Section 66 (12) (b) as to newspaper publication of the tariff revisions are waived pursuant to the Ordering Clause No. 2.

Company Contacts

If there are any questions concerning this filing, please call Kathy Grande at (585)771-4514 or me at (608)762-8710.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Lori A. Cole".

Lori A. Cole

Enclosures

New York State Electric & Gas Corporation
Rochester Gas and Electric Corporation
Clean Energy Standard Collection Tariff Filing
List of Filed Leaves

PSC No. 120 – Electricity

Leaf No. 2.1, Revision 21
Leaf No. 18, Revision 16
Leaf No. 117.6, Revision 7
Leaf No. 117.9, Revision 19
Leaf No. 117.10, Revision 12
Leaf No. 117.11, Revision 13
Leaf No. 117.11.1, Revision 0
Leaf No. 117.11.2, Revision 0
Leaf No. 117.46.25, Revision 1
Leaf No. 132, Revision 10
Leaf No. 132.1, Revision 5
Leaf No. 159, Revision 9
Leaf No. 159.1, Revision 2
Leaf No. 218, Revision 19
Leaf No. 218.1, Revision 5
CES Statement No. 1
SBC Statement No. 16

PSC No. 121 – Electricity

Leaf No. 14, Revision 18
Leaf No. 14.3, Revision 1
CES Statement No. 1
SBC Statement No. 16

PSC No. 18 – Electricity

Leaf No. 11, Revision 15
Leaf No. 24.2, Revision 2
CES Statement No. 1
SBC Statement No. 23

PSC No. 19 - Electricity

Leaf No. 2, Revision 17
Leaf No. 2.1, Revision 0
Leaf No. 80.1, Revision 4
Leaf No. 160.26.2, Revision 7
Leaf No. 160.26.3, Revision 4
Leaf No. 160.26.3.1, Revision 0
Leaf No. 160.27, Revision 11
Leaf No. 160.39.20, Revision 1
Leaf No. 194.4, Revision 8
Leaf No. 194.5, Revision 3

Leaf No. 246.3 Revision 9
Leaf No. 246.4 Revision 3
CES Statement No. 1
SBC Statement No. 24