

..DID: 12143
..TXT:

June 8, 2000

Ms. Janet Deixler, Secretary
State of New York Department
of Public Service
Three Empire State Plaza
Albany, NY 12223-1350

Re: **NYSEG's Proposal to offer On-Line Billing**

Dear Secretary Deixler:

The enclosed revised leaves, issued by New York State Electric and Gas Corporation ("NYSEG" or "the Company"), are transmitted for filing in compliance with the requirements of the New York State Public Service Commission ("PSC" or "Commission").

First	Revised	Leaf No. 22	to PSC 90 - Gas
First	Revised	Leaf No. 23	to PSC 90 - Gas
First	Revised	Leaf No. 24	to PSC 90 - Gas
First	Revised	Leaf No. 25	to PSC 90 - Gas
Original		Leaf No. 25.1	to PSC 90 - Gas

Effective: August 21, 2000

Proposed Revisions

NYSEG proposes to revise its gas tariff to enable customers to view their bill and/or render payment to the Company via the internet through an option called On-line Billing ("OLB"). In addition, NYSEG proposes minor language revisions clarifying the availability of NYSEG's electronic funds transfer ("EFT") payment option and the ability of the Company to offer more meter read reporting options as part of its customer card read program.

Background

In 1998 and 1999, NYSEG received inquiries from its customers expressing interest in receiving and paying their gas and electric bills via the internet. In 1999, the Company began the process of evaluating and designing an OLB service that would be implemented in 2000. The Company will be soliciting NYSEG employees to participate in a pilot program ("the Pilot") beginning June 30, 2000. The Company plans to make OLB available to the general population of NYSEG customers in September, 2000 (contingent on the results of the Pilot).

During the Pilot, hard copies of all bills and notices will continue to be sent to the enrolled participants. NYSEG will monitor the Pilot activity and make any necessary changes prior to the general rollout. The Pilot will serve as a testing period to ensure that efficient billing and operating procedures have been established prior to the full roll-out of OLB. OLB will be made available to all NYSEG customers who receive a standard bill produced by the Company's automated billing system. Upon full implementation of OLB, participants will no longer receive a hard copy of their bill as currently provided. However, all notices from NYSEG beyond the monthly bill (e.g termination or shut-off notices) will continue to be mailed to the customer. Annual notifications per HEFPA (16 NYCRR Section 11.17), such as "Customer Rights and Responsibilities", and any information currently included in the customer's bill will be provided through links on the electronic bill that launch the full content of the notification or connect the customer to NYSEG's website.

OLB will enable customer bills to be rendered and paid electronically. Customers will elect this option through a bank or vendor offering the OLB service. The monthly bill will be posted electronically

by NYSEG's vendor to a front-end sponsor that offers electronic banking (this entity may be a bank or a third-party vendor). The customer shall view their current NYSEG bill on their computer, and elect to pay via the Internet through their front-end sponsor. Customers will also have the option to pay by other traditional payment methods. Additionally, the customer may choose to save their bill to disk or print a hard copy. The bill that an OLB participant will view on their computer will be identical to the hard copy bill that would have been otherwise received through the U.S. mail.

Also included as part of this filing are minor language revisions clarifying the availability of NYSEG's electronic funds transfer ("EFT") payment option and the ability of the Company to offer more meter read reporting options as part of its customer card read program.

Newspaper Publication & SAPA

NYSEG requests a waiver of advance publication pursuant to 16 NYCRR 270.70, since NYSEG will notify all eligible customers about the availability of this program through direct mailing and/or bill inserts. A State Administrative Procedures Act (SAPA) Notice is enclosed for publication in the State Register.

Company Contacts

Please direct any questions pertaining to this filing to me at (607) 762-5611 or to Marc Webster at (607) 762-8075.

Very truly yours,

/MPW
Encls.

Steven R. Adams
Manager – Gas Pricing, Regulation, & Strategy