

December 21, 2006

VIA ELECTRONIC FILING

Honorable Jaclyn A. Brillling, Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Case No. 05-E-1222 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of New York State Electric & Gas Corporation for Electric Service - Further Compliance Filing of January 1, 2007 Tariffs

Dear Secretary Brillling:

The enclosed tariff leaves, issued by New York State Electric & Gas Corporation ("NYSEG" or "the Company"), are filed in further compliance with the New York State Public Service Commission's ("Commission") Order Adopting Recommended Decision with Modifications, issued and effective August 23, 2006, in Case 05-E-1222 ("the August 2006 Order"). These tariff leaves are transmitted for filing in compliance as identified herein and in accordance with the requirements of Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H). The leaves are proposed to become effective on January 1, 2007.

PSC No. 120 – Electricity, Schedule for Electric Service
Leaf No. 26, Revision 4
Leaf No. 221, Revision 13

Purpose of the Filing

As provided in the Company's letter dated December 4, 2006, in response to the New York Power Authority's ("NYPA") comments concerning NYSEG's compliance filing submitted on November 9, 2006 ("Compliance Filing"), the purpose of today's filing is to make further clarifying revisions to the Compliance Filing.

Summary of Tariff Revisions

The Company proposes to revise the level of Economic Development Power to be billed at pre-2007 EDP delivery rates from 34.1 MW to 36.1 MW. The level is stated as 36.1 in the currently effective tariff and was inadvertently revised to 34.1 in the Compliance Filing.

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The proposed tariff revisions further clarify that any kilowatt-hours supplied by NYPA will be exempt from paying the System Benefits Charge and the Renewable Portfolio Standard Charge, effective with usage on or after January 1, 2007.

Newspaper Publication

In accordance with Ordering Clause 3 of the August 2006 Order, the requirement of Section 66 (12)(b) of the Public Service Law that newspaper publication be completed prior to the effective date of the proposed amendments is waived. In further compliance with Ordering Clause 3, NYSEG will file proof that a notice to the public of the proposed tariff changes has been published once per week for four successive weeks in newspapers having general circulation in NYSEG's electric service areas. Such proof will be filed by no later than six weeks following the tariff amendments' effective date of January 1, 2007.

Company Contact

Based on conversations with the Secretary's office on September 14, 2006 and October 20, 2006, NYSEG is serving parties electronically. If there are any questions concerning this filing, please call Lori Cole at (607) 762-8710 or me at (607) 762-7341.

Very truly yours,

Christine M. Stratakos
Manager – Pricing & Analysis
Rates & Regulatory Economics

Enclosures

cc: All Active Parties in Case 05-E-1222 (Via Electronic Mail)