

September 15, 2006

VIA ELECTRONIC FILING

Honorable Jaclyn A. Brillling, Secretary
State of New York Department of Public Service
Three Empire State Plaza
Albany, NY 12223

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 – Compliance Tariff Filing

Dear Secretary Brillling:

The enclosed tariff leaves, issued by New York State Electric & Gas Corporation (“NYSEG”) are filed in 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).

In compliance with Ordering Clause 2 of the August 2006 Order, today’s filing sets forth the tariff revisions necessary to effectuate the commodity program specified within the August 2006 Order. The leaves are proposed to become effective on November 1, 2006. A listing of the proposed revised tariff leaves is enclosed as Attachment A.

NYSEG plans to submit an additional tariff filing on not less than one day’s notice to reflect the delivery prices for each Service Classification, as well as other tariff revisions necessary to effectuate the provisions adopted by the August 2006 Order

An additional compliance filing will be required in early November 2006. The purpose of the early November 2006 filing is to set forth in tariffs the NYSEG Fixed Price Option Commodity Charge and Transition Charge that will be calculated on November 1, 2006. This charge will be based on forward on- and off-peak wholesale energy prices gathered during the 20 trading days prior to November 1, 2006.

The additional compliance tariffs to be filed will have an effective date of January 1, 2007.

Finally, NYSEG will file tariff revisions affecting customers subject to Mandatory Hourly Pricing, as set forth in the Commission’s Order Denying Petitions for

Honorable Jaclyn A. Brillong, Secretary
Page 2 of 2
September 15, 2006

Rehearing and Clarification in Part and Adopting Mandatory Hourly Pricing Requirements, issued and effective April 24, 2006 in Case 03-E-0641 ("Mandatory Hourly Pricing Order").

These tariff revisions will be filed not later than December 1, 2006, in compliance with the Mandatory Hourly Pricing Order.

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 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 November 1, 2006. In addition to the newspaper publication, NYSEG will be notifying customers directly with information pertaining to the Company's commodity option program through outreach relative to the two-month Voice Your Choice enrollment period.

The Company proposes to conduct a technical conference with the parties to discuss the changes set forth in the tariff filing on a mutually agreeable date.

Based on a conversation with the Secretary's office on September 14, 2006, NYSEG is serving parties electronically. If any party desires a hard copy of this filing, or has any questions concerning this filing, please call Lori Cole at (607) 762-8710 or Susan Glann at (607) 762-7265.

Very truly yours,

Christine M. Stratakos
Manager, Pricing and Analysis
Rates & Regulatory Economics

Enclosures
cc: All Active Parties (Via Electronic Mail)

**New York State Electric & Gas Corporation
Tariff Filing for Case 05-E-1222**

List of Proposed Tariff Leaves filed September 15, 2006

PSC No. 120 – Electricity, Schedule for Electric Service

Leaf No. 2, Revision 3
Leaf No. 2.1, Revision 3
Leaf No. 28, Revision 5
Leaf No. 117.6, Revision 1
Leaf No. 117.7, Revision 1
Leaf No. 117.8, Revision 0
Leaf No. 117.9, Revision 0
Leaf No. 117.10, Revision 0
Leaf No. 117.11, Revision 0
Leaf No. 117.12, Revision 0
Leaf No. 117.13, Revision 0
Leaf No. 117.14, Revision 0
Leaf No. 117.15, Revision 0
Leaf No. 117.16, Revision 0
Leaf No. 117.17, Revision 0
Leaf No. 117.18, Revision 0
Leaf No. 117.19, Revision 0
Leaf No. 117.20, Revision 0

PSC No. 121 – Electricity, Schedule for Electric Service

Leaf No. 14, Revision 7