

October 25, 2007

VIA ELECTRONIC FILING

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

Re: Compliance Filing of New York State Electric & Gas for Case 06-G-0059 – In the Matter of Gas Curtailment Guidelines and Requirements

Dear Secretary Brilling:

The enclosed tariff leaves, issued by New York State Electric & Gas (“NYSEG” or the “Company”), are filed in compliance with the New York State Public Service Commission’s (“Commission”) Order Adopting Gas Curtailment Guidelines and Requirements, issued and effective August 23, 2007, in Case 06-G-0059 (the “Order”). The 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 shall become effective on November, 1, 2007, on a temporary basis pending active party review and Commission approval.

P.S.C. No. 88 - Gas

Leaf No. 7	Revision 14
Leaf No. 17	Revision 2
Leaf No. 17.1	Revision 2
Leaf No. 17.1.1	Revision 0
Leaf No. 17.1.2	Revision 0
Leaf No. 17.1.3	Revision 0
Leaf No. 17.2	Revision 0
Leaf No. 50.1.1	Revision 3

P.S.C. No. 90 - Gas

Leaf No. 72	Revision 2
Leaf No. 73	Revision 2
Leaf No. 73.1	Revision 0
Leaf No. 73.2	Revision 0
Leaf No. 74	Revision 1

Purpose of the Filing

The purpose of this filing, in compliance with the August 2007 Order, is to set forth revisions to the existing curtailment procedures to enhance the Company's ability to manage, distribute and allocate scarce natural gas supplies during a period of curtailment.

Overview of the Filing

Appendix B of the Order provided the criteria that shall be considered by the Company when implementing a curtailment to address emergency situations. Such criteria were incorporated into the Company's tariffs attached hereto. In compliance with the Order, the Company has eliminated the distinction between short- and long-term curtailments. Future curtailments will follow an order of curtailment by end use category with the non-core loads being shut off first to preserve service to higher priority customers that do not have alternatives to the use of natural gas. If the situation requires curtailment into firm service categories, all customers (whether sales or transportation customers) will be curtailed following the LDC's order of priority as amended in the tariffs with essential human needs customers having the highest priority.

Furthermore, if necessary to meet high priority customer demand, NYSEG will acquire gas intended for lower priority customers at the city gate. ESCOs whose gas is diverted by the Company will be required to continue making nominations of gas throughout the curtailment period up to their proven primary point capacity requirements unless they are prevented in doing so by a force majeure interruption. The ESCO will be the party compensated for the diverted gas at the current market price in effect at the time of curtailment.

In accordance with the Commission's order regarding Outreach and Education, NYSEG has developed a direct mailing to its large daily metered transportation customers to inform these ESCO customers of the changes to the curtailment procedures. More specifically, the letter advises the customer that compensation will be directed to the ESCO if gas is diverted and to address this issue with their ESCO if necessary.

Newspaper Publication

In accordance with Ordering Clause 4 of the Order, the requirement of Section 66(12) (b) of the Public Service Law that requires newspaper publication of proposed tariff changes is waived.

Company Contacts

NYSEG is serving a copy of this filing to active parties electronically. If any party desires a hard copy or has questions concerning this filing, please contact Linda Dent at (585) 771-4701 or Tamara Prodrick at (585) 771-4204.

Very truly yours,

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

Enclosures

cc: All active parties (Via Electronic Mail)