

September 3, 2003

VIA OVERNIGHT COURIER

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

Re: Case 99-M-0631 – In the Matter of Customer Billing Arrangements and Case 03-M-0117 – In the Matter of Implementation of Chapter 686 of the Laws of 2003 – Tariff Filing

Dear Secretary Brillling:

The enclosed gas tariff leaves issued by New York State Electric & Gas Corporation, (“NYSEG” or the “Company”) are transmitted for filing in accordance with the requirements of the New York State Public Service Commission (“Commission”).

Ninth Revised	Leaf No. 2	to PSC No. 88 – Gas
Fifth Revised	Leaf No. 34	to PSC No. 88 – Gas
Third Revised	Leaf No. 50.26	to PSC No. 88 – Gas
Original	Leaf No. 34.1	to PSC No. 90 – Gas
Original	Leaf No. 34.2	to PSC No. 90 – Gas
Original	Leaf No. 34.3	to PSC No. 90 – Gas
First Revised	Leaf No. 43	to PSC No. 90 – Gas
First Revised	Leaf No. 44	to PSC No. 90 - Gas

Effective September 3, 2003.

The above-listed leaves are being filed on a temporary basis pursuant to the Commission’s Order Relating to Implementation of Chapter 686 of the Laws of 2003 and Pro-ration of Consolidated Bills, issued June 20, 2003 (the “June Order”), and Order Extending Deadline, issued August 15, 2003 (the “August Order”) in Case Nos. 99-M-0631 and 03-M-0117.

In compliance with Ordering Clause No. 3 of the June Order, the Company has modified its PSC 88 and 90 (Gas) tariff provisions to conform NYSEG’s tariffs to the requirements of the June Order. In accordance with the August Order, tariffs concerning pro-ration of customer payments are not being filed at this time.

Specifically, NYSEG has modified its tariff to include rules for ESCO-initiated suspension of service to customers receiving a consolidated bill. Rules for reconnection of

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service associated with ESCO-initiated disconnection are also set forth in the filed tariffs. The tariffs further reflect fees that the Company proposes to charge ESCOs for costs associated with ESCO-initiated suspension of delivery services. The calculation for these fees is shown on Appendix 1 to this filing. A copy of NYSEG's procedures for ESCO-initiated suspension, customer reconnection and ESCO request for calculation of utility bill are enclosed on Appendix 2 to this filing.

In footnote 21 of the Commission's June Order, the Commission ordered that each utility explain how the establishment of tariff rates for services addressed by Chapter 686 would affect the utility's proposals in the Unbundling Track of Case 00-M-0504.¹ NYSEG has reviewed its cost of service ("COS") studies filed in the Unbundling Track, along with the provision of Chapter 686. Based upon its review, NYSEG does not believe that any change to its COS studies is required. Because final rules implementing Chapter 686 have not been promulgated, and an Order in the Unbundling Track has not been issued, the Company believes it is premature to anticipate further changes to its unbundled cost study.

In accordance with its currently-effective Gas Rate Plan², NYSEG will defer for future recovery any net lost revenues and incremental costs associated with the implementation of Chapter 686.

Ordering Clause No. 3 of the June Order waived the requirement of Section 66(12)(b) of the Public Service Law requiring newspaper publication of the proposed tariff amendments.

Please direct any questions pertaining to this filing to Susan Gallia at (607) 762-7265.

Very truly yours,

Christine M. Stratakos
Manager - Rates & Tariffs

Encs.

¹ Case 00-M-0504, Proceeding on Motion of the Commission Regarding Provider of Last Resort Responsibilities, the Role of Utilities in Competitive Energy Markets, and Fostering the Development of Retail Competitive Opportunities – Unbundling Track ("Unbundling Track"), Order Directing Expedited Consideration of Rate Unbundling (issued March 29, 2001).

² Cases 01-G-1668 et al., Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of New York State Electric & Gas Corporation for Gas Services, "Joint Proposal" (filed September 12, 2002), as adopted in Order Establishing Rates (issued November 20, 2002).