

December 15, 2009

VIA ELECTRONIC FILING

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

Re: Case 07-M-0548    Order Approving Certain Commercial and Industrial  
Customer Energy Efficiency Programs with Modifications  
Compliance Filing

Dear Secretary Brillling:

New York State Electric & Gas Corporation ("NYSEG" or "the Company") hereby submits for filing the following enclosed tariff leaves in compliance with the New York Public Service Commission's ("Commission's") Order Approving Certain Commercial and Industrial Customer Energy Efficiency Programs with Modifications, issued and effective October 23, 2009 (the "October Order"), and in compliance with the Commission's Order Establishing Energy Efficiency Portfolio Standard and Approving Programs, issued and effective June 23, 2008 (the "June Order"), in Case 07-M-0548. This filing is also made in accordance with Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H).

PSC No 87 – Gas

Leaf No. 17, Revision 16  
Leaf No. 34.1, Revision 12  
Leaf No. 44, Revision 13  
Leaf No. 48, Revision 14  
Leaf No. 53, Revision 11  
SBC Statement No. 03

PSC No. 88 – Gas

Leaf No. 53.1, Revision 14  
Leaf No. 69.1.1, Revision 5  
Leaf No. 105, Revision 20  
Leaf No. 113.1, Revision 9  
SBC Statement No. 03

PSC No. 90 – Gas

Leaf No. 105, Revision 4

Effective: January 1, 2010.

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Pursuant to the October Order, the Company is filing revisions to its tariff to collect additional revenue through the existing System Benefits Charge ("SBC") for gas customers. The SBC will apply to all residential and most non-residential customers<sup>1</sup>.

The October Order approved the implementation of Non-Residential Commercial and Industrial Prescriptive and Customer Rebate Programs. The October Order also identified additional annual collections required for each utility, set forth on Table 6 of Appendix 2. NYSEG is required to collect an additional \$397,030 for 2010. The June Order established the annual gas SBC collection level for NYSEG at \$1,043,319 through December 31, 2011. In accordance with Ordering Clause 4 of the June Order, each utility shall establish its specific SBC collection rate on an annual basis to correspond to its collection allocation and year-by-year projections of the following year's gas sales, with any over- or under-collections reconciled on an annual basis.

NYSEG has performed the calculation for determining the rate to be effective on January 1, 2010. The Company estimated it will under-collect \$33,358 for the period January 1, 2009 through December 31, 2009. This amount was carried forward and added to the amounts established in the June and October Orders to determine the amount of revenues to be collected for 2010. This resulted in an updated collection amount of \$1,473,707 for 2010.

That amount was then divided by the dth sales forecast subject to the SBC for the calendar year 2010, resulting in a SBC surcharge of \$0.0030 per therm. The surcharge will be effective on January 1, 2010, and will apply to customer usage on and after that date. As set forth in Ordering Clause 15 of the October Order, NYSEG will manage the SBC funds within the budgets authorized by the Commission and any under-spending will be reconciled in the subsequent calculation of the SBC.

Per Ordering Clause No. 12 of the October Order, the requirements of Section 66(12) (b) of the Public Service Law as to newspaper publication of the changes proposed by this filing is waived.

Please direct any questions pertaining to this filing to Lori Cole at (607) 762-8710 or to me at (607) 762-7341.

Very truly yours,

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

Enclosures

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<sup>1</sup> Customers taking service under the interruptible service classifications will be exempt from paying the SBC.