

October 1, 2009

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. 09-E-0227 – Tariff Filing of New York State
Electric & Gas Corporation to Modify its Tariff Regarding
Fixed Transition Charges.

Dear Secretary Brillling:

New York State Electric & Gas Corporation ("NYSEG" or the "Company") hereby submits for filing the following enclosed tariff leaf and statements in compliance with Ordering Paragraph 1 of the New York Public Service Commission's (the "Commission") Order Directing Modification of Non-Bypassable Charges, Case No. 09-E-0227, issued and effective September 28, 2009 (the "September Order") and the Commission's Order Authorizing Interim Adjustments to Non-Bypassable Wires Charges, Case No. 09-E-0227, issued and effective May 18, 2009 (the "May Order"). 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. 120 – Electricity, Schedule for Electric Service

Leaf No. 117.9, Revision 8

TCS Statement No. 59 to PSC No. 120 – Electricity

EIR Statement No. 56 to PSC No. 120 – Electricity

PSC No. 121 – Electricity, Schedule for Electric Service

TSC Statement No. 59 to PSC No. 121 - Electricity

Effective: October 2, 2009

The Commission determined in the September Order that it is reasonable to apply the interim reconciliation adjustment of the NBC to all customers. Therefore, customers taking service under NYSEG's Fixed Price Option will become subject to an interim reconciliation adjustment, effective October 2, 2009. As directed in the September Order, the Company will use \$21million from the Asset Sale Gain Account to mitigate the increase in NBC charges for all customers.

Honorable Jaclyn A. Brillling, Secretary

October 1, 2009

Page 2 of 2

In accordance with the May Order, each month the Company examines the forecasted year-end difference between the NBC dollars the Company expects to collect and an updated forecast of NBC dollars. If the expected under- or over-collection exceeds \$7.5 million, an interim reconciliation adjustment will be applied to the NBC beginning the following month. NYSEG has determined that the expected under-collection of NBC dollars has exceeded the \$7.5 million and the October 2, 2009 interim NBC includes a reconciliation adjustment.

Customers receiving an economic incentive discount on loads qualified on or after July 1, 2003 have their per kilowatt-hour discounts based on the NBC less ancillary service costs and NTAC components of the NBC. Therefore, an Economic Incentive Rate Statement is included with these tariff revisions.

Newspaper Publication

In accordance with Ordering Paragraph 2, the requirements of § 66(12)(b) of the Public Service Law regarding newspaper publication are waived.

Company Contacts

Please direct any questions pertaining to this filing to Lori Cole at (607) 762-8710 or to Carl King at (607) 347-2959.

Very truly yours,

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

Enclosures