

July 30, 2009

VIA ELECTRONIC FILING

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

Re: Additional Compliance Filing of New York State Electric & Gas Corporation for Case 09-E-0109 – Proceeding on Motion of the Commission as to Continuation of Standby Rate Exemptions for Beneficial Distributed Generation.

Dear Secretary Brilling:

The enclosed tariff leaf, issued by New York State Electric & Gas Corporation (“NYSEG” or the “Company”), is filed in compliance with the New York State Public Service Commission’s (“Commission”) Order Clarifying Prior Order and Requiring Compliance Filings issued and effective July 20, 2009, in Case 09-E-0109 (the “July 2009 Order”). The tariff leaf is transmitted for filing in compliance to Ordering Clause No. 1 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).

PSC No. 120 – Electricity, Schedule for Electric Service
Leaf No. 285, Revision 3

Effective August 3, 2009

Purpose of the Filing

The purpose of this filing, in compliance with the July 2009 Order, is to remove the limitation on facility size for photovoltaic (PV) customers eligible for the standby rate exemption.

Overview of the Filing

In the Order Continuing and Modifying in Part the Standby Rate Exemption (2009 Exemption Order) issued May 18, 2009, (in this proceeding) it was decided that the exemption from standby rates for certain forms of beneficial distributed generation (DG), including small, efficient combined heat and power (CHP) facilities, would be continued to May 31, 2015, subject to conditions. One of the conditions was to increase the size of a solar-powered generation facility “that may qualify for the exemption” from 1 MW to 2 MW. NYSEG interpreted the 2009 Exemption Order as imposing a new 2

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MW limit on solar facility developers seeking the exemption, and revised the tariff accordingly.

As indicated by the July 2009 Order, however, the original Order did not intend to impose a new 2 MW limit on the size of the solar-powered facility that could qualify for the standby rate exemption. Instead, the 2 MW limit was intended to apply only to utilities that had previously tarified a restriction limiting the exemption at no more than 1 MW. Since NYSEG had not tarified a limit previously, the 2 MW limit was not applicable.

In compliance with the July 2009 Order, NYSEG has deleted the wording from the tariff that imposed the 2 MW limit on the size of the solar generation facilities that may qualify for the exemption from standby rates.

Newspaper Publication

In accordance with Ordering Clause 2 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

If there are questions regarding this filing, please contact Tamara Prodrick at (585) 771-4204 or me at (607) 762-7341.

Very truly yours,

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

Enclosure