

January 21, 2011

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 09-G-0716 – New York State Electric & Gas Corporation
Revenue Decoupling Mechanism Adjustment Statement**

Dear Secretary Brillling:

In accordance with the Public Service Commission's Order Establishing Rate Plan, and New York State Electric & Gas Corporation's ("NYSEG" or "the Company") PSC No. 90 Gas tariff schedule, NYSEG hereby files the Revenue Decoupling Mechanism ("RDM") Adjustment Statements to be effective February 1, 2011.

RDM Statement No. 1 to PSC 87 Gas
RDM Statement No. 1 to PSC 88 Gas

General Information Section 22 of PSC No. 90 states that if at any time during the Rate Year the cumulative difference between the actual billed revenues per customer and the cumulative target revenues per customer is 1.25% or more, the Company will file an interim RDM Adjustment for each service classification. The Revenue Decoupling Adjustment Mechanism Statement will be filed on not less than ten days' notice

The Company is filing an interim RDM Adjustment, a credit, to be applied to the following service classifications:

- PSC No. 87 Service Classification 2
- PSC No. 88 Service Classifications 1, 5, and 14

Please direct any questions to Shari Wells at (607) 762-8070 or to me at (607) 762-8710.

Very truly yours,



Lori A. Cole
Manager, Regulatory & Tariffs
Rates & Regulatory Economics

Enclosures