



December 8, 2011

VIA ELECTRONIC FILING

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

Re: Tariff Filing to Reflect Nine Mile 2 Revenue Sharing Agreement

Dear Secretary Brillling:

The enclosed tariff leaves, issued by New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E") (together the "Companies") are transmitted for filing in compliance with the requirements of Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H).

P.S.C. No. 120 – Electricity, Schedule for Electric Service
Leaf No.117.8, Revision 9

P.S.C. No. 19 – Electricity, Schedule for Electric Service

Leaf No. 160.26.1 Revision 6
Leaf No. 160.26.1.1, Revision 0

Effective: March 1, 2012

Background

Effective December 1, 2011, pursuant to the Order Authorizing Asset Transfers in Case 01-E-0011, issued and effective October 26, 2001, the purchased power contracts between Constellation Energy and NYSEG and RG&E have converted to revenue sharing agreements. These revenue sharing agreements provide each company 80% of the amount by which actual market prices exceed a specific schedule of floor prices. Any such amounts will be credited to the utility companies. As a result of this change, it is necessary to amend the tariff language to reflect how these credited amounts will be reflected in retail rates.

Overview of the Filing

Any applicable payments the Companies receive under the RSA for a contract quarter will be refunded to customers through each company's respective Transition Charge beginning in the calendar month following the month in which the payment is received. Such payments will be refunded to customers over three consecutive months.

The Companies requests that the requirement of § 66(12)(b) of the Public Service Law and 16 NYCRR §720-8.1 as to newspaper publication be waived because the benefits from the RSA reflect a transaction that is not identified separately on a customer's bill and will not adversely affect the calculation of the Transition Charge.

A State Administrative Procedure Act Notice is enclosed for publication in the State Register.

If there are any questions concerning this filing, please call me at (607)762-8710.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Lori A. Cole".

Lori A. Cole
Manager - Regulatory & Tariffs
Rates and Regulatory Economics Department