



August 29, 2011

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

Dear Secretary Brilling:

The enclosed statements are transmitted electronically by New York State Electric & Gas Corporation ("NYSEG" or "the Company") for filing in compliance with the requirements of the Public Service Commission, State of New York ("Commission" or "PSC"), to become effective September 1, 2011:

Rate Statements:

Statement No. GSC-110 to PSC No. 87 Gas, pages 1 to 2
Statement No. IRS-178 to PSC No. 87 Gas, pages 1 to 6
Statement No. NGV-177 to PSC No. 87 Gas, pages 1 to 7
Statement No. SSS-166 to PSC No. 87 Gas
Statement No. TS-111 to PSC No. 87 Gas
Statement No. IGSC-49 to PSC No. 87 Gas, pages 1 to 2
Statement No. MFC-12 to PSC No. 87 Gas, pages 1 to 2

Transportation Rate Statements:

Statement No. ITR-176 to PSC No. 88 Gas, pages 1 to 5
Statement No. GTR-178 to PSC No. 88 Gas, pages 1 to 3
Statement No. TS-111 to PSC No. 88 Gas
Statement No. CSCC-90 to PSC No. 88 Gas





This month's filing includes several updates and changes.

- In accordance with the *Order Establishing Rate Plan*, issued and effective September 21, 2010 in Cases 09-G-0716¹, the Merchant Function Charge includes the annual update to the Commodity-Related Uncollectible Cost component, Storage Inventory Carrying Charge, Working Capital on Commodity Hedges, Credit & Collections and Call Center and Administrative components..
- In accordance with the *Order Approving Transfers Upon Modifications and Conditions and Providing for Lightened Ratemaking Regulations*, issued and effective March 4, 2011 ("March Order"), and *Order Granting Rehearing in Part*, issued and effective June 17, 2011 ("June Order") in Case 10-M-0143², changes have been incorporated in the 7H, the Transition Surcharge Reliability component and Balancing calculations to reflect the sale of the Seneca facilities.. In addition, NYSEG will be returning the customer portion of the gain through the Transition Surcharge over a 40-month term as authorized in the June Order.³
- Per the Commission's *Order Directing Credit Refund and Referring Additional Matters to the 2011 Gas Adjustment Clause Annual Reconciliation*, issued and effective August 19, 2011 in Case 10-G-0644⁴, NYSEG is crediting \$6.03 million, with interest, over a three-year period to post-11/2/95 transportation customers, through the Transition Surcharge. The credits will be applied to customers in NYSEG's three historic Gas Supply Areas.

¹ Cases 09-E-0715, et., al., - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation for Electric and Gas Service.

² Case 10-M-0143 – Joint Petition of New York State Electric & Gas Corporation, Inergy Midstream LLC, Arlington Storage Company, LLC and Inergy Pipeline East, LLC for Authorization to Transfer the Seneca Lake Storage Facility, Certain Pipeline and Lateral Facilities and the Certificate of Environmental Compatibility and Public Need for the Seneca Lake East Pipeline and the Revocation of the Certificate of Environmental Compatibility and Public Need for the Seneca Lake West Lateral.

³ NYSEG filed tariff revisions on August 22, 2011 to reflect this change to the Transition Surcharge.

⁴ Case 10-G-0644 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of New York State Electric & Gas Corporation for Gas Service Related to the Calculation of, Reasons for and Mitigation of the Company's Historic and Current Stranded Gas Capacity.





Should you have any questions, please contact Shari Wells at (607) 762-8070, or at smwells@nyseg.com.

Very truly yours,

Mark O. Marini
Director – Regulatory