



December 1, 2017

VIA ELECTRONIC FILING

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Case 09-M-0311 – Implementation of Chapter 59 of the Laws of 2009 Establishing a
Temporary Annual Assessment Pursuant to Public Service Law §18-a(6)

Housekeeping Filing

Dear Secretary Burgess:

New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E") (together the "Companies") hereby transmit for filing the revised Temporary State Assessment Statements ("TSAS") in compliance with the New York State Public Service Commission's ("Commission") Order Implementing Revised Temporary State Assessment, issued and effective June 18, 2014 (the "Order"), in the above referenced proceeding. These tariff leaves are transmitted for filing in compliance 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). The tariffs will become effective on January 1, 2018.

NYSEG

PSC No. 87 - Gas, Schedule for Gas Service TSAS No. 10
PSC No. 88 - Gas, Schedule for Gas Service, Transportation TSAS No. 11
PSC No. 120 - Electricity, Schedule for Electric Service - TSAS No. 11
PSC No. 121 - Electricity, Schedule for Electric Service, Street Lighting - TSAS No. 11

RG&E

PSC No. 16 - Gas, Schedule for Gas Service TSAS No. 12
PSC No. 18 - Electricity, Schedule for Electric Service, Street Lighting - TSAS No. 11
PSC No. 19 - Electricity, Schedule for Electric Service - TSAS No. 12

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Background

On April 7, 2009, the Temporary State Energy and Utility Service Conservation Assessment ("TSA") was put into place by Chapter 59 of the Laws of 2009, which added Public Service Law (PSL) §18-a(6). On June 19, 2009, the Commission issued an Order that allowed utilities to institute a surcharge to collect the TSA, on behalf of the Department of Public Service (the "Department"), for a period of July 1, 2009 to June 30, 2014.

In April 2013, the Legislature amended PSL §18-a(6) by extending the TSA through March 2017, while decreasing it over time. In 2014, the Legislature further amended PSL §18-a(6) to reduce the TSA rate applied to intrastate gross operating revenues from 2% to 1.63% for Fiscal Year 2014-2015. The TSA rate is further reduced to 1.0% for Fiscal Year 2015-2016, and 0.73% for Fiscal Year 2016-2017. For Fiscal Year 2017-2018, the TSA will be one-half of the TSA paid in Fiscal Year 2016-2017, with full collections from customers by December 31, 2017.

Overview

The Order implemented the amendments to PSL §18-a(6) by authorizing the utilities to continue to collect the surcharge through December 31, 2017. The Companies are filing amendments to its Statements to reflect that effective on January 1, 2018, the Companies will no longer be collecting the Temporary State Assessment Surcharge from customers.

In accordance with Ordering Clause No. 3 of the Order, any remaining deferral balance that exists after the collection of the Temporary State Assessment surcharge has ended will remain on the books of the Companies, accruing carrying charges at the Companies' authorized pre-tax rate of return to the net of tax unrecovered Temporary State Assessment payments, until it is addressed through a future Commission action.

Publication

In accordance with Ordering Clause No. 3, requirements for newspaper publication pursuant to Section 66(12)(b) of the Public Service Law and 16 NYCRR 720-8.1 for the tariff revisions are waived.

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

Yours Sincerely,



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

Enclosures