

February 28, 2014

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

Dear Secretary Burgess:

The enclosed statement, issued by New York State Electric & Gas Corporation ("NYSEG" or the "Company"), is transmitted for filing in compliance with the requirements of the New York State Public Service Commission ("PSC" or "Commission").

PSC No. 119 – Electricity, Schedule for Electric Service

Statement of Underground Residential Distribution Contribution ("URD Statement") Effective April 1, 2014

Pursuant to the Commission Order in Case 25352, issued December 28, 1971, Case 03-E-0185, issued April 30, 2003 (the "April Order"), Case 10-E-0592, issued and effective November 23, 2010¹ (the "November 2010 Order"), and Case 11-E-0112 issued and effective June 22, 2011² (the "Central Hudson Order"), the attached new Statement of Underground Residential Distribution Contribution ("URD Statement") is being filed to reflect revisions to NYSEG's underground residential distribution rates.

Please contact Sue Morien at (585) 771-4741 or me at (607) 762-8710 if you have any questions.

Very truly yours,

Lori A. Cole

Manager, Regulatory & Tariffs Rates and Regulatory Economics

¹Case 10-E-0592 - Proceeding on Motion of the Commission to Investigate the Consistency of Three-Phase Service for All Major Electric Utilities, Order Approving Proposed Tariff Amendments and Instituting a Proceeding to Investigate the Three-Phase Provisions of Other Major Utilities (issued and effective November 23, 2010)

²Case 11-E-0112 – Tariff filing by Central Hudson Gas & Electric Corporation to update the rates used in determining contributions required from applicants for underground extensions and to prospectively file the rates in statements. (issued and effective June 22, 2011)

