

Mark O. Marini
Director - Regulatory

September 24, 2014

VIA ELECTRONIC FILING

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

Re: Case 03-E-0188 – Order Regarding Retail Renewable

Portfolio Standard - Annual Compliance Filing

Dear Secretary Burgess:

New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E") (the "Companies") hereby submit for filing the enclosed tariff statements, effective October 1, 2014, in compliance with the New York Public Service Commission's ("Commission's") Order Regarding Retail Renewable Portfolio Standard ("RPS"), issued and effective September 24, 2004 in Case 03-E-0188, (the "2004 Order") and Order Authorizing Customer-Sited Tier Program Through 2015 and Resolving Geographic Balance and Other Issues Pertaining to the RPS Program, issued and effective April 2, 2010 in Case 03-E-0188, (the "2010 Order"). This filing is also made in accordance with Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H).

RPS Statement No. 13 to PSC 18 – Electricity RPS Statement No. 13 to PSC 19 – Electricity RPS Statement No. 10 to PSC 120 – Electricity RPS Statement No. 10 to PSC 121 – Electricity

The 2010 Order establishes the 2015 RPS annual collection level for NYSEG at \$38,919,786 and \$22,468,496 for RG&E. The level of funding is to be collected in rates over a 12-month period commencing three months prior to the applicable calendar year. Ordering Clause 4 of the 2004 Order also provides that "[a]ny over- or under-collections shall be trued up on an annual basis."

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The Companies began the reconciliations by determining the amount of RPS Surcharge revenue that each company collected from customers between October 1, 2005 and August 31, 2014. Subsequently, the Companies estimated the amount of revenues each will collect from customers for the month of September 2014, the remaining month of the most recent 12-month collection period. Consequently, a cumulative under-collection of \$951,619 has been projected for NYSEG and a cumulative under-collection of \$684,209 has been projected for RG&E.

To calculate the October 2014 RPS rate for NYSEG, the projected under-collection was added to the 2015 annual RPS target collection amount resulting in a 2015 collection requirement of \$39,871,405. That amount was then divided by the kWh sales estimate for the period October 2014 – September 2015, resulting in a RPS surcharge of \$0.002796 per kWh.

To calculate the October 2014 RPS rate for RG&E, the projected under-collection was added to the 2015 annual RPS target collection amount resulting in a 2015 collection requirement of \$23,152,705. That amount was then divided by the kWh sales estimate for the period October 2014 – September 2015, resulting in a RPS surcharge of \$0.003228 per kWh.

The surcharge amounts are reflected in the attached tariff statements.

Per Ordering Clause 6 of the Order, the requirements of Section 66(12) (b) of the Public Service Law as to newspaper publication of the changes proposed by this filing is waived.

Please direct any questions pertaining to this filing to Carolyn Sweeney at (585) 771-4809.

Very truly yours,

Mark O. Marini

Enclosures