..DID: 15755 ..TXT:

May 31, 2001

Hon. Janet H. Deixler, Secretary State of New York Department of Public Service Three Empire State Plaza Albany, NY 12223-1350

Re: Proposed Tariff Filing in Compliance with the Commission's Order Establishing Uniform

Retail Access Billing and Payment Processing Practices, Case 99-M-0631

Dear Secretary Deixler:

The enclosed revised leaves issued by New York State Electric & Gas Corporation ("NYSEG" or "the Company") are transmitted for filing in accordance with the requirements of the New York State Public Service Commission ("PSC" or "Commission").

Second Revised Leaf No. 6.1 to PSC No. 88 Gas Ninth Revised Leaf No. 12.1 to PSC No. 88 Gas Fourth Revised Leaf No. 12.2 to PSC No. 88 Gas Fourth Revised Leaf No. 12.3 to PSC No. 88 Gas to PSC No. 88 Gas Sixth Revised Leaf No. 14 to PSC No. 88 Gas Eighth Revised Leaf No. 15 Leaf No. 50.26 to PSC No. 88 Gas First Revised

Effective June 1, 2001.

The above-listed leaves are being filed pursuant to the Commission's <u>Order Establishing Uniform Retail Access Billing and Payment Processing Practices</u>, Case 99-M-0631, issued May 18, 2001 (the "Order"). The Order sets forth the requirements for implementation of consolidated billing and payment processing for customers taking retail access where both utility service charges and ESCO/Marketer commodity charges appear on one bill.

Although the Order at page 16 states that utility consolidated billing is currently offered by certain utilities, and NYSEG is listed as one of those utilities, the Company has no existing practices in place for consolidated billing. The Order's Appendix A, at page 1, footnote 1, states that "[t]he business practices described here assume that data will be exchanged using a uniform electronic data interchange ("EDI") system. Accordingly, these Practices will not be applicable until EDI is available and operational." Until EDI for consolidated billing and payment processing is available and operational, NYSEG will not offer utility consolidated billing. Once EDI for consolidated billing and payment processing is operational, the Company will provide mechanisms that will allow customers to choose, through their Marketer, the manner in which they wish to be billed and make payments.

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Combination Accounts

The Order's Appendix A, page 9, paragraph e. states that "[e]xcept where a utility's billing system will not accommodate it, combination retail access customers may have their natural gas and electricity accounts split " NYSEG's billing system is unable to accommodate account splitting. Therefore, the Company is not proposing an account splitting fee and will not split accounts.

Billing Services Agreement

The Company will submit, by July 1, 2001, the basic standard Billing Services Agreement ("BSA") that Marketers will be required to execute to provide Consolidated Billing to customers.

Cost Recovery

The Company will track costs of implementation, incremental costs and differences between actual avoided costs and bill credits associated with consolidated billing and payment processing, by Marketers, and the actual costs and charges to Marketers for consolidated billing and payment processing by NYSEG. Pursuant to the Order, the Company will defer cost associated with the implementation of consolidated billing and payment processing for future recovery.

Compliance Filing

In accordance with Ordering Clause Four of the Commission's Order, newspaper publication in accordance with Section 66(12)(b) of the Public Service Law is waived.

Please direct any questions pertaining to this filing to Dan Verdun (607-762-4296) or the undersigned at (607) 762-5611.

Very truly yours,

Steven R. Adams Manager - Gas Pricing, Regulation & Strategy

Encls.