

February 23, 2007

VIA ELECTRONIC FILING

Honorable Jaclyn A. Brillling, Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Case No. 05-E-1222 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of New York State Electric & Gas Corporation for Electric Service – Additional Compliance Filing

Dear Secretary Brillling:

The enclosed tariff leaves, issued by New York State Electric & Gas Corporation (“NYSEG” or “the Company”), are filed in compliance with the New York State Public Service Commission’s (“Commission”) Order Directing Further Tariff Revisions and Making Rates Permanent, issued and effective February 16, 2007, in Case 05-E-1222 (“the February Order”). The 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 leaves are proposed to become effective on March 1, 2007.

PSC No. 120 – Electricity, Schedule for Electric Service
Leaf No. 117.11, Revision 1
Leaf No. 287, Revision 14

Overview of the Filing

In compliance with the February Order, NYSEG is filing further tariff revisions to reflect the changes directed by the Commission. First, on Leaf No. 117.11, the Company has revised the description of the methodology for determining earnings or losses related to fixed supply service to state that it is “before income tax” and eliminated the word “grossed-up” in the sentence describing the disposition of the customers’ share of profits and losses. Also the Company has revised Leaf No. 287 to state that the Transition Charge component of Service Classification No. 11 rates will be updated on October 1, 2007.

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The February Order contains directives that raise significant issues, including whether the Company must submit revised compliance tariff leaves regarding the treatment of transmission revenues. NYSEG is considering the filing of a petition for rehearing of the February Order in order to address those issues. Because the February Order requires NYSEG to make this compliance filing on short notice and well before the end of the statutory 30-day period for filing a petition for rehearing, the Company requests that its previously-submitted compliance tariff leaves remain effective on a temporary basis pending resolution of this matter.

Newspaper Publication

In accordance with Ordering Clause 2 of the February Order, the requirement of Section 66(12) (b) of the Public Service Law that newspaper publication of the tariff revisions is waived.

Company Contacts

Please direct any questions pertaining to this filing to Lori Cole at (607) 762-8710 or Susan Glann at (607) 762-7265.

Very truly yours,

Christine M. Stratakos
Manager – Pricing & Analysis
Rates & Regulatory Economics

Enclosures
cc: All Active Parties (Via Electronic Mail)