

April 4, 2008

VIA ELECTRONIC SUBMITTAL

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

RE: Case 07-G-0299, In the Matter of Issues Associated with the Future of the Natural Gas Industry and the Role of Local Gas Distribution Companies – Capacity Planning and Reliability; New York State Electric & Gas Corporation , Filing to Comply with Commission Order

Dear Secretary Brillling:

New York State Electric & Gas Corporation ("NYSEG" or the "Company") hereby submits for filing the following enclosed tariff leaf in compliance with the New York Public Service Commission's (the "PSC" or the "Commission") Order Approving Tariffs Establishing Mandatory Capacity Release Programs, issued and effective on March 28, 2008 (the " March 28 Order") in the above-referenced proceeding and Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H.¹)

PSC No. 88 – Gas – Schedule for Gas Service

Leaf No. 12.1.1, Revision 2
Leaf No. 15, Revision 13

Effective: April 5, 2008

In Compliance with Ordering Paragraph No. 3, NYSEG is revising its tariff to provide for an annual review beginning, April 1, 2009, of the volumetric level of grandfathered primary point deliverability for each ESCO. The volumetric level of grandfathered capacity will be reviewed annually to determine if there has been a decrease in the customer load served by the ESCO in the past 13 months. If the volumetric level has decreased by at least 500 Dth over that period, the level of grandfathered capacity will be reduced to the volumetric level of primary point deliverability exhibited during the review period.

In Compliance with Ordering Paragraph No. 5, these further tariff revisions will become effective on one day's notice.

¹ Case 07-G-0299, *In the Matter of Issues Associated with the Future of the Natural Gas Industry and the Role of Local Gas Distribution Companies – Capacity Planning and Reliability*, Order on Capacity Release Programs, (issued August 30, 2007).

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Ordering Clause No. 6 of the March 28 Order waived the requirement for newspaper publication under Public Service Law §66 (12)(b) and 16 NYCRR §720-8.1, provided that the Company provide the active parties in this case and the customers affected by the tariff revisions copies of the applicable tariff revisions. NYSEG will send the tariff revision to active parties to the case and to the ESCOs active in the NYSEG service territory.

If there are any questions regarding this filing, please contact Linda Dent at (585)771-4701 or Lori Cole at (607) 762-8710.

Very truly yours,

Mark O. Marini
Manager, Regulatory and Tariffs
Rates and Regulatory Economics

Enclosures