October 6, 2004

VIA ELECTRONIC FILING

Honorable Jaclyn A. Brilling, Secretary New York State Public Service Commission 3 Empire State Plaza Albany, NY 12223-1350

Re: NYSEG's Interruptible Rate – Special Provision (c) of S.C. 7

Dear Secretary Brilling:

The enclosed revised leaf, 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").

<u>PSC No. 120 – Electricity, Schedule for Electric Service</u> Leaf No. 224, Revision 1

Effective: December 22, 2004.

The above tariff leaf is being filed to eliminate NYSEG's electric Interruptible Rate, Special Provision (c) of S.C. 7, for any new customers and grandfather service to customers that are currently taking service under this special provision through December 31, 2006, which is the end of NYSEG's current Electric Rate Plan.

NYSEG is requesting this action because customers are now able to participate in the Demand Response Programs of the New York Independent System Operator ("NYISO"). NYSEG's Special Provision (c) pre-dates these NYISO programs and only two customers currently take service under this Special Provision. The NYISO programs provide more appropriate compensation to customers who interrupt or reduce load.

A State Administrative Procedures Act Notice is enclosed for publication in the State Bulletin.

NYSEG requests waiver of the requirement of Section 66(12)(b) of the Public Service Law as to newspaper publication, as this change will only impact two customers who will be individually notified by NYSEG.

Received: 10/6/2004

Honorable Jaclyn A. Brilling, Secretary Page 2 October 6, 2004

Should you have any questions concerning this filing, please call Cindy Reed at (607) 762-7656.

Very truly yours,

Christine M. Stratakos Manager – Pricing & Analysis

Enclosures

cc: J. A. Lahtinen

F. P. Miller - LLGM

C. L. Reed