

February 2, 2012

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

Dear Secretary Brilling:

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

<u>PSC No. 119 – Electricity, Schedule for Electric Service</u> Leaf No. 13, Revision 1 Leaf No. 16, Revision 2 Leaf No. 20, Revision 13 Statement of Underground Residential Distribution Contribution ("URD Statement") No. 1

Effective: April 1, 2012

Pursuant to the Commission Order in Case 25352, issued December 28, 1971,

Case 03-E-0185, issued April 30, 2003 (the "April Order"), Case 10-E-0592, issued and effective November 23, 2010<sup>1</sup> (the "November 2010 Order"), and Case 11-E-0112 issued and effective June 22, 2011<sup>2</sup> (the "Central Hudson Order"), the attached new Statement of Underground Residential Distribution Contribution ("URD Statement") is being filed to reflect revisions to NYSEG's underground residential distribution rates. The revisions to Leaf Nos. 13, 16, and 20 are made to accommodate the movement of the rates for installing underground residential distribution to the URD Statement.



<sup>&</sup>lt;sup>1</sup>Case 10-E-0592 - Proceeding on Motion of the Commission to Investigate the Consistency of Three-Phase Service for All Major Electric Utilities, Order Approving Proposed Tariff Amendments and Instituting a Proceeding to Investigate the Three-Phase Provisions of Other Major Utilities (issued and effective November 23, 2010)

<sup>&</sup>lt;sup>2</sup>Case 11-E-0112 – Tariff filing by Central Hudson Gas & Electric Corporation to update the rates used in determining contributions required from applicants for underground extensions and to prospectively file the rates in statements. (issued and effective June 22, 2011)

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NYSEG has made a change to the calculation of the incremental underground poly-phase rate. This rate was first implemented last year as a rate per foot of trench. NYSEG is proposing to change the rate to a per foot of primary cable. The rate will be applied based on each additional primary cable installed. For example if two-phase or three-phase service is required, the incremental underground poly-phase rate will be multiplied by the number of feet of additional primary cable that is installed. The Company feels this method will assign costs more accurately to the customers requiring poly-phase service.

The Company respectfully requests that the requirement of § 66(12)(b) of the Public Service Law and 16 NYCRR §720-8.1 for newspaper publication be waived because the customers are provided the current effective rates when they contact NYSEG in regard to the pricing of underground line extensions.

Please contact Sue Morien at (585) 771-4741 or me at (607) 762-8710 if you have any questions.

Very truly yours,

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Lori A. Cole Manager, Regulatory & Tariffs Rates and Regulatory Economics