



September 26, 2011

**VIA ELECTRONIC FILING**

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

Re: Case 03-E-0188 – Order Regarding Retail Renewable  
Portfolio Standard – Annual Compliance Filing

Dear Secretary Brillling:

New York State Electric & Gas Corporation ("NYSEG") hereby submits for filing the enclosed tariff statements, effective October 1, 2011, in compliance with the New York Public Service Commission's ("Commission's") Order Regarding Retail Renewable Portfolio Standard ("RPS"), issued and effective September 24, 2004 in Case 03-E-0188, (the "2004 Order") and Order Authorizing Customer-Sited Tier Program Through 2015 and Resolving Geographic Balance and Other Issues Pertaining to the RPS Program, issued and effective April 2, 2010 in Case 03-E-0188, (the "2010 Order"). This filing is also made in accordance with Appendix 7-H (electronic tariff filing system) to the Commission's Codes, Rules and Regulations (16 NYCRR Appendix 7-H).

RPS Statement No. 05 to PSC 120 – Electricity  
RPS Statement No. 05 to PSC 121 – Electricity

The 2010 Order establishes the 2012 RPS annual collection level for NYSEG at \$24,779,252. The level of funding is to be collected in rates over a 12-month period commencing three months prior to the applicable calendar year. Ordering Clause 4 of the 2004 Order also provides that "[a]ny over- or under-collections shall be trued up on an annual basis."

NYSEG began the reconciliation by determining the amount of RPS Surcharge revenue that the Company collected from customers between October 1, 2005 and August 31, 2011. Subsequently, the Company estimated the amount of revenues the Company will collect from customers for the month of September 2011, the remaining month of the most recent 12-month collection period. Consequently, the Company has projected that it will have a cumulative over-collection of \$551,868.



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To calculate the October 2011 RPS rate, the projected over-collection of \$551,868 was subtracted from the 2012 annual RPS target collection amount of \$24,779,252, resulting in a 2012 collection requirement of \$24,227,384<sup>1</sup>. That amount was then divided by the kWh sales estimate for the period October 2011 – September 2012, resulting in a RPS surcharge of \$0.001647 per kWh to become effective October 1, 2011. This surcharge amount is reflected in the attached proposed tariff statement.

Per Ordering Clause 6 of the Order, the requirements of Section 66(12) (b) of the Public Service Law as to newspaper publication of the changes proposed by this filing is waived.

Please direct any questions pertaining to this filing to Carolyn Sweeney at (585) 771-4809 or to me at (607) 762-8710

Very truly yours,



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

Enclosures

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<sup>1</sup> The annual target collection amount for NYSEG increases each year as set forth in the Appendix to the 2010 Order.