



Energy East Management Corporation

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**VIA FACSIMILE (914) 681-6949
& FIRST CLASS MAIL**

Anne B. Cahill
Corporate Secretary
Power Authority of the
State of New York
123 Main Street, 15M
White Plains, NY 10601

Re: Power Authority of the State of New York
Proposed Rule Making
I.D. No.: PAS-41-08-00014-P

Dear Secretary Cahill:

On behalf of New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E"), together referred to as "the Companies" this letter constitutes the comments of the Companies in response to the Notice of Proposed Rulemaking ("NOPR") of the Power Authority of the State of NY ("NYPA") published in the New York State Register on October 8, 2008. In the NOPR, NYPA proposes to update upstate investor-owned utilities' service tariffs to streamline them and include additional required information.

The Companies support NYPA's effort to streamline the tariffs and to make them consistent and have only one comment regarding NYISO charges, which is uniformly applicable to Section III of each of the Service Tariffs as follows:

Section III.E for Service Tariff No. 41
Section III F (incorrectly labeled, should be E) for Service Tariff No. 42
Section III D for Service Tariff No. 43.

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The above-referenced sections should be applicable only to those customers for whom NYPA provides transmission service. In the case of NYSEG and RG&E, the Companies take delivery of the Niagara Firm, Peaking and St. Lawrence energy at the generator bus. As such, NYSEG and RG&E should not be allocated any NYISO charges incurred by NYPA. Consequently, the Companies respectfully request that each of the Service Tariffs be modified to begin the above-referenced sections with the following clause: "For those Customers for whom the Authority provides transmission service, the Customer shall compensate...."

Respectfully Submitted,



Mark V. Dolan
Attorney for the Companies

cc: David J. Kimiecik, NYSEG