

Mark O. Marini Director - Regulatory

February 9, 2015

VIA ELECTRONIC SERVICE

Honorable Kathleen H. Burgess, Secretary New York State Department of Public Service 3 Empire State Plaza, 19th Floor Albany, NY 12223

Dear Secretary Burgess:

In accordance with the New York State Electric & Gas Corporation ("NYSEG" or the "Company") Gas Tariff (PSC 90, Leaf No. 86, Section 10. Conditions of Gas Service, Provision J), the Company hereby advises the New York State Public Service Commission ("PSC" or the "Commission") that it is unable to accept additional applications for gas service from new or existing customers in portions of the Ithaca franchise area.

The Company continues to receive requests for incremental natural gas services from both new and existing customers in its Ithaca franchise area. Due to current pressures on the distribution system on cold weather days and design-day predicted pressures in the Lansing area, NYSEG cannot provide the requested incremental natural gas service at this time. The area where NYSEG cannot provide incremental service is in the Town of Lansing as bounded by the lake on the west and NYS Route 13 on the south. This area is shown on the attached figure. NYSEG started work in 2014 on the Lansing/Freeville reinforcement project along West Dryden Road. NYSEG is actively working on obtaining easements from residents along West Dryden Road. To date, NYSEG has obtained approximately half of the required 100 easements. The residents own to the centerline of the road and many residents have denied NYSEG the requested 15' wide easement. The project includes 7 miles of 10" distribution main along West Dryden Road, a new regulator station at Warren Road to connect to NYSEG's existing distribution system, and a rebuild of Dominion Transmission's Freeville Gate Station serving NYSEG. NYSEG did consider other reinforcement options prior to this project and is currently re-evaluating based on the possible need for condemnations along West Dryden Road. NYSEG will continue to consider all available options in an effort to accommodate future service requests.

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The Company will keep PSC Staff informed of any further developments regarding requests for new or increased gas service.

Respectfully submitted,

Mark O. Marin

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Attachment

CC: Cindy McCarran - Deputy Director, Gas and Water



