



Joseph J. Syta
Vice President – Controller & Treasurer

May 24, 2018

VIA ELECTRONIC MAIL

Honorable Kathleen Burgess
Secretary
State of New York Department of Public Service
Three Empire State Plaza
Albany, NY 12223

RE: Case 17-G-0432 – Petition of New York State Electric & Gas Corporation for
Authorization to Construct a Natural Gas Compressor Pilot Project in Tompkins
County, NY

Dear Secretary Burgess:

The requirements of the New York State Public Service Commission’s Order Authorizing Natural Gas Compressor Pilot Project, issued and effective November 16, 2017 (the “Order”), New York State Electric & Gas Corporation (“NYSEG” or the “Company”) includes certain reporting requirements identified in Ordering Clause 5. The Company submitted its first report on January 30, 2018. The Company has experienced a delay in its ability to file the second report as ongoing detailed engineering and project siting activities have indicated that updates to the project estimates are necessary. Therefore, for the first reporting requirement listed below, the Company seeks a deferral of the formal quarterly reporting requirement to July 31, 2018, to allow it to finish its update work and conduct discussions with Department of Public Service Staff. The other reporting requirements are covered below and in Attachments 1 and 2.

1. Status of the project including a comparison of the capital forecast with actual capital expenditures and an explanation for expenditure variances greater than 10% for any major project activity.

- NYSEG requests that the next report covering this information be filed July 31, 2018

2. Description of outreach efforts conducted during the quarter.

NYSEG has conducted the following Public Outreach activities:

- Met with public officials from the three individual municipalities to review conceptual site plan layouts and discuss potential for permitting efficiencies.
- Contacted property owners of two of the four recommended sites and researched property owner information and demographics for the remaining two properties.
- Commenced detailed discussions with Tompkins County Planning Department officials who have offered to assist with identification and acquisition of sites for compressors.

3. Report regarding internal pressures

Refer to Attachment 1 to this letter for the Comparison of Ithaca's Distribution System Pressures and Predicted Model Result During Periods of Peak Demand through April 30, 2018. These peaks occurred on January 5 and January 6, 2018.

Refer to Attachment 2 to this letter for the 3-Year Historical Average Pressure of the Lansing Terminal.

Respectfully submitted,



Joseph J. Syta

ATTACHMENT 1

NYSEG DATA REPORT

**COMPARISON OF ITHACA DISTRIBUTION SYSTEM PRESSURES AND
 PREDICTED MODEL RESULTS DURING PERIODS OF PEAK DEMAND (1)**

Peak Demand Event 1/6/2018							
	GAS CONTROL MONITORED PRESSURE LOCATIONS (PSIG)						
	East Ithaca Reg. Sta. Outlet Pressure	Newfield Reg. Sta. Outlet Pressure	Spencer St. Reg. Sta. Outlet Pressure	Ellis Hollow Sta. - Mitchell St. Outlet Pressure	Ellis Hollow Sta. - Community Corners Outlet Pressure	Community Corners Sta. Inlet Pressure	Lansing Terminal Pressure
Actual Pressure PSI	118.37	57.4	55.56	53.24	56.14	45.42	28.61
Min Acceptable Pressure PSI (2)	118	55	55	55	55	45	30
Predicted PSI without Compressors (3)	118	57	55.5	56	56	46.2	29.25
Predicted PSI with Compressors (4)	118	57	55.5	56	56	45	41.1

Peak Demand Event 1/5/2018							
	GAS CONTROL MONITORED PRESSURE LOCATIONS						
	East Ithaca	Newfield	Spencer St.	Ellis Hollow - Mitchell St.	Ellis Hollow - Community Corners	Community Corners	Lansing Terminal
Actual Pressure PSI	118.68	57.4	55.62	53.11	56.02	45.89	28.2
Min Acceptable Pressure PSI (2)	118	55	55	55	55	30	30
Predicted PSI without Compressors (3)	118	57	55.5	56	56	46.3	31.2
Predicted PSI with Compressors (4)	118	57	55.5	56	56	45.2	41.4

Notes & Assumptions

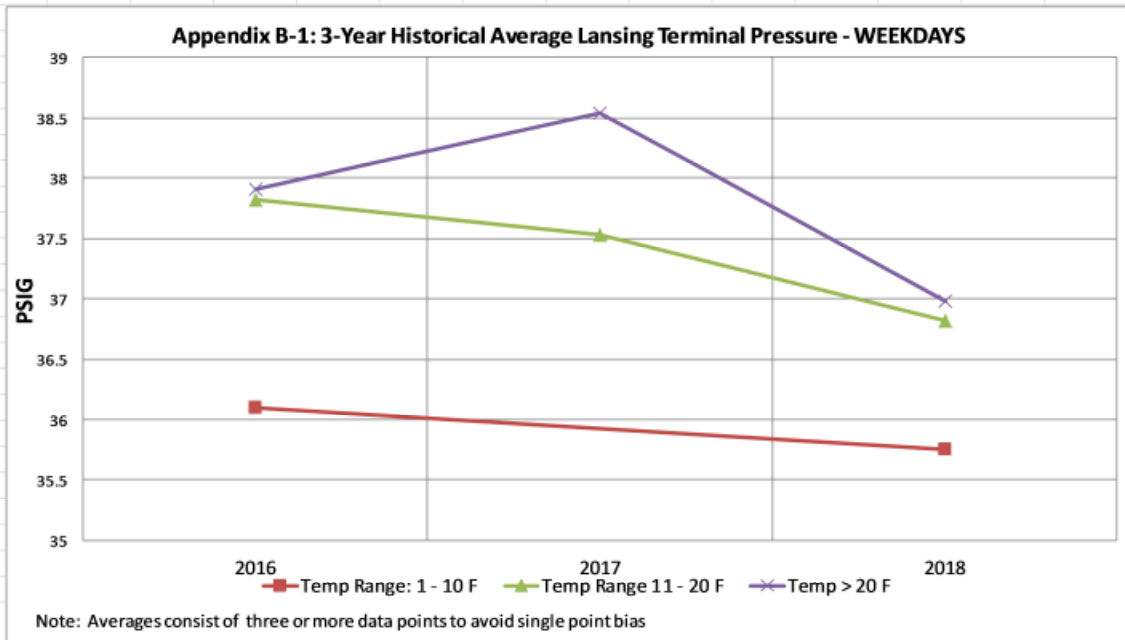
1. Peak Demand occurs when pressures within a gas distribution system are below 50% of the system maximum allowable operating pressure (MAOP). The Information presented above represent two events as which system pressures were below 50% of the MAOP since the Issuance of the Order Effective 11/16/17.
2. Acceptable Minimum (Min) Pressure (PSI) is the set winter outlet pressure of the regulator at the regulator station.
3. Pressure results based on using the existing network model with flow parameter adjustments that match actual system conditions and without the use of compression.
4. Pressure results are based on compressor sizes and locations described in the Petition utilizing NYSEG's system network modeling application.



ATTACHMENT 2

NYSEG DATA REPORT

3-YEAR HISTORICAL AVERAGE PRESSURE OF THE LANSING TERMINAL



ATTACHMENT 2

NYSEG DATA REPORT

3-YEAR HISTORICAL AVERAGE PRESSURE OF THE LANSING TERMINAL

