



February 12, 2018

VIA ELECTRONIC FILING

Hon. Kathleen H. Burgess Secretary NYS Public Service Commission 3 Empire State Plaza Albany, NY 12223

RE: Case 17-E-0594: Proceeding On Motion of the Commission to Investigate the March 2017 Windstorm, Related Power Outages and Rochester Gas and Electric and New York State Electric & Gas Restoration Efforts

Dear Secretary Burgess:

By the November 16, 2017 Commission Order Instituting Proceeding and to Show Cause in the above-referenced Case (the "Order"), New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E" and together with NYSEG, the "Companies") were directed to show cause why: (i) the Commission should not pursue an administrative penalty, pursuant to Public Service Law (PSL) § 25-a, for the Companies' apparent failure to follow their ERP as approved and mandated by the ERP Order and Commission regulations, and (ii) the Companies should not implement the DPS Report recommendations into their ERPs.

As mentioned in the requests for an extension of December 12, 2017 and January 9, 2018, the Companies and designated trial staff entered into preliminary discussions regarding settlement relating to the alleged violations and administrative penalty portion of the Case.

The discussions between the Companies and Staff have progressed to the point where the Companies submitted a Notice of Impending Settlement Negotiations ("Notice") on February 12, 2018 in this proceeding. As there are no other parties to this proceeding, the Notice was sent to parties to the Companies' most recent rate cases (15-E-0283, 15-G-0284, 15-E-0285 and 15-E-0286) to ensure parties with an interest in potential settlement may be heard. A settlement conference is scheduled for February 26, 2018 at 1:30 pm.

Therefore, settlement will not be reached or documented prior to February 15, 2018. Additionally, if a settlement is reached and a Settlement Agreement is entered into, the Settlement Agreement will be submitted to the Commission for Approval. Such approval may take several months.



Therefore, to facilitate settlement negotiations and to allow the Commission to consider a Settlement Agreement, if one is presented to the Commission, the Companies request an extension until August 1, 2018 to respond to the Order as regarding the alleged violations and a potential administrative penalty proceeding.

The Companies' have discussed this proposed extension with designated trial staff and understand that they do not oppose the extension. Please contact me directly with any questions about this request. Thank you for your continuing attention in this matter.

Very truly yours,

Jeffrey A. Rosenbloom Deputy General Counsel

cc: John Favreau