



December 27, 2011

Hon. Jaclyn A. Brilling
Secretary to the Commission
State of New York Public Service Commission
Empire State Plaza
Agency Building Three
Albany, NY 12223-1350

SUBJECT: Case 11-T-0654- Application of New York State Electric & Gas Corporation for a Certificate of Environmental Compatibility and Public Need Pursuant to Article VII Section 121-a of the Public Service Law for Approval to Construct a 4.9 Mile Natural Gas Transmission Pipeline and Associated Facilities in the Towns of Big Flats and Horseheads and the Village of Horseheads, Chemung County.

Dear Secretary Brilling:

By letter of December 14, 2011, you advised New York State Electric & Gas Corporation ("NYSEG") of several deficiencies and requested additional information related to its Application filed in the subject case on November 30, 2011. NYSEG herewith submits an original and four hard copies of: (i) the responses to those items identified by citation to the governing regulations as deficiencies in NYSEG's original filing (Appendix A); and (ii) the additional information you requested (Appendix B). Also enclosed are three CDs with copies of this information.

The next to last paragraph of your letter states:

NYSEG should provide notice of the Application to all affected landowners and lienholders of record, along with an explanation that NYSEG intends to acquire their property by condemnation if necessary.

NYSEG is filing, as Appendix C to this response, a copy of the form letter sent to all affected landowners the day after the Application was filed advising them of the filing of the Application. This letter was not served on all lienholders, since a title search would be required to determine the identities of such lienholders, and it is unduly costly to conduct such a title search prior to certification of the facility. NYSEG requests that it not be required to serve notice of the filing of its Application on the holders of liens on the affected properties.

NYSEG is also filing, as Appendix D to this response, a copy of the form letter sent to the eleven property owners who refused to allow NYSEG access to their properties for surveying and other testing related to the routing of the facility. These are the parties from whom NYSEG anticipates acquiring an easement by eminent domain. The letter makes it clear that NYSEG will enter their property for surveying and other investigations pursuant to the power granted NYSEG by the Eminent Domain Procedure Law ("EDPL").

The letter also advises:

"NYSEG shall be liable to the property owner for any damages caused by NYSEG as a result of the entry, but such damages shall not entail duplicate payment of damages to be compensated for by NYSEG pursuant to Article Three of the EDPL."

NYSEG believes that these letters adequately advise affected property owners of the filing of the Application and of the possibility that an easement across their property may be acquired by eminent domain. Sending a further notice about the possibility of an acquisition through eminent domain at this time might antagonize the property owners and diminish further the possibility of reaching an amicable settlement with them. NYSEG asks that the letters that have already been sent be accepted in satisfaction of the direction to notify those property owners that NYSEG intends to acquire easements from them by condemnation if necessary.

Finally, three other property owners who have not yet reached an agreement with NYSEG on the conveyance of an easement have allowed NYSEG to perform surveying on their properties without receiving a notice under the EDPL. NYSEG still hopes to reach agreement with them. NYSEG is concerned that sending a notice about NYSEG's right to acquire the easements by condemnation might jeopardize negotiations, and NYSEG asks that it be allowed to refrain from sending such a notice unless it becomes clear that negotiations are failing. One of the three property owners was not identified until after the Application had been filed, and was just provided a copy of the letter advising of the filing of the Application on December 20, 2011.

In addition to the items noted in your correspondence, NYSEG has been made aware of an error on Page 38 of the application in the discussion of Outreach. The reference to Table 2-1 should be a reference to Table 3-1..

Copies of this correspondence are being served on the parties identified on the enclosed Certificate of Service. NYSEG is also filing two copies of the correspondence on the Big Flats Branch Library, the Horseheads Free Library and the West Elmira Library.

If you have any questions concerning the matters discussed in this letter, please contact the undersigned at (585) 771-4926.

Very truly yours,



Yvette LaBombard
Manager of Gas Engineering

Enclosures

Appendices:

Appendix A: Response to Deficiencies

Appendix B: Additional Information Requested

Appendix C: Property Owner Application Notification Letter dated 11-30-2011

Appendix D: Property Owner Survey Notification letter dated 6-20-2011.

xc:

See Certificate of Service

Director, Big Flats Branch Library (2 copies)

Director, Horseheads Free Library (2 copies)

Director, West Elmira Library (2 copies)