

LEBOEUF, LAMB, GREENE & MACRAE LLP

NEW YORK
WASHINGTON, D.C.
ALBANY
BOSTON
CHICAGO
HARTFORD
HOUSTON
JACKSONVILLE
LOS ANGELES
PITTSBURGH
SAN FRANCISCO

125 WEST 55TH STREET
NEW YORK, NY 10019-5389
(212) 424-8000
FACSIMILE: (212) 424-8500

LONDON
A MULTINATIONAL
PARTNERSHIP
PARIS
BRUSSELS
JOHANNESBURG
(PTY) LTD.
MOSCOW
RIYADH
AFFILIATED OFFICE
ALMATY
BEIJING

July 28, 2006

VIA HAND DELIVERY

Hon. Jaclyn A. Brillling
Secretary
State of New York Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Re: Case 06-M-0647 - In the Matter of Energy Service Company Price
Reporting Requirements and Case 98-M-1343 - In the Matter of Retail
Access Business Rules

Dear Secretary Brillling:

New York State Electric and Gas Corporation and Rochester Gas and Electric Corporation (the "Companies") submit their comments in reply to the *Notice Soliciting Comments on ESCO Pricing Reporting Requirements*, issued May 31, 2006 in the above-referenced proceedings (the "Notice"). The Notice seeks comments concerning whether the Commission should require energy services companies ("ESCOs") operating in New York to report prices and price formula.¹ In the Notice, the Commission also requests comments concerning the appropriate enforcement mechanisms necessary to ensure ESCO compliance with Commission reporting requirements. For the reasons set forth below, the Companies support adoption of mandatory price reporting requirements as a condition of ESCO participation in

¹ Notice, pp. 2-3.

retail access programs in New York. The Companies also concur that remedies for non-compliance with any reporting standards also should be implemented.

Customer access to accurate and timely information about pricing, terms and conditions of service represents an important component in the evolution of competitive markets in New York. During the Companies' Voice Your Choice and other retail access activities (*e.g.*, focus groups, energy fairs and forums) customers note that they want more visible and transparent ESCO pricing information. Customers also informally report that they currently are not able to easily access ESCO pricing information in a format that enables the customer to compare and contrast ESCO plans. Indeed, customers identify access to ESCO pricing and other relevant information as one of the most important parts of the decision-making process to determine whether to participate in retail access. Specifically, because transparent and easily understood comprehensive ESCO data cannot readily be accessed before a customer agrees to enroll with an ESCO, consumers find themselves reluctant to consider an alternate supplier.

As the Commission noted on page 2 of the Notice, not all ESCOs are willing to voluntarily submit data. Additionally, the information that is supplied is not always complete or in a format that enables customers to compare ESCO offerings and make informed decisions about their supply options. Accordingly, the Companies recommend that the Commission should require all ESCOs to provide key pricing information and other relevant terms and conditions to the Commission. The Commission should develop a template ESCOs would use to report the information. The Commission also should direct ESCOs to provide updated information when the ESCO implements a price change, modifies another key term, offers a new

July 28, 2006
Page 3

service or cancels an existing option. The timing and the process for submission of this sort of information also should be specified by the Commission.

For the above reasons, the Companies urge the Commission to move expeditiously to adopt ESCO reporting requirements so that customers can be afforded access to key information upon which they can make informed decisions about their supply options.

Very truly yours,



Amy A. Davis

cc: All Active Parties (via Electronic and U.S. Mail)