

PSC NO: 121 ELECTRICITY
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 10/17/09

Leaf: 14.1
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

18. Surcharge to Collect Temporary State Assessment

All Energy Charges for Delivery Service under Service Classification Nos. 1, 2, and 3 will be increased to collect a Temporary State Energy and Utility Service Conservation Assessment pursuant to the Commission's *Order Implementing Temporary State Assessment*, issued June 19, 2009. This surcharge will be added to the Energy Charge for Delivery Service and the Demand Charge, if applicable.

A Temporary State Assessment Surcharge (TSAS) Statement setting forth the surcharges by service classification will be filed with the Public Service Commission on not less than fifteen (15) days' notice. Such statement can be found at the end of this Schedule (PSC 121 – Electricity).

19. **Deferral Recovery Mechanism Adjustment (“DRM”)**

Each month the Company will examine its deferred costs, reserve balances and reliability revenue adjustments. If at any time the combination of the Company's deferred and reserve balances exceeds \$10 million, positive or negative, a Deferral Recovery Mechanism adjustment will be applied in the following month.

The DRM adjustment will be applied per kilowatt-hour to all kilowatt-hours delivered under Service Classification Nos. 1, 2, 3, and 4.

A DRM statement setting forth the Deferral Recovery Mechanism Adjustment will be filed with the Public Service Commission on not less than three (3) day's notice.

Issued by: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY