

PSC NO. 90 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 10/17/09

Leaf No: 105.3
Revision: 0
Superseding Revision:

GENERAL INFORMATION

23. DEFERRAL RECOVERY MECHANISM (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 \$3 million, positive or negative, a Deferral Recovery Mechanism adjustment will be applied in the following month.

The DRM adjustment will be applied per term to all terms delivered under PSC No. 87 Service Classification Nos. 1, 2, 3, 4, 5, 6, 9, 10, and 11 and PSC No. 88 Service Classification Nos. 1, 2, 3, 5, 6, 7, 13, 14, 16 and 19.

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.

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