

PSC NO: 88 GAS  
NEW YORK STATE ELECTRIC & GAS CORPORATION  
Initial Effective Date: March 1, 2004

Leaf No. 122  
Revision: 0  
Superseding Revision:

**SERVICE CLASSIFICATION NO. 18**

**DOMINION CITYGATE SWING CUSTOMER BALANCING SERVICE (CONT'D)**

**CONDITIONS OF SERVICE (CONT'D):**

**3. Capacity Requirements (Cont'd)**

**e) Transfer of Storage Gas and Capacity to Aggregation Pool Operators**

Where storage assets are released to an Aggregation Pool Operator in conjunction with the CSC Balancing Service after the commencement of the storage injection season (April 1 of each year), the Company will transfer to the Aggregation Pool Operator a quantity of gas equivalent to a pro-rata share of gas that the Company has acquired to provide service to the migrated customers. The quantity of gas transferred will be the storage capacity to be released, multiplied by a percentage representing the planned degree to which the Company's DTI storage will be filled at the beginning of the month during which the release is made.

As detailed below, there will be an Aggregation Pool Operator Charge associated with transfers of gas in storage to the Aggregation Pool Operator.

**Aggregation Pool Operator Charge**

The Aggregation Pool Operator shall pay the Company: 1) the weighted average commodity cost of gas in storage ("WACOSG"), multiplied by the quantity of gas transferred; plus, 2) a contribution to storage capacity costs ("CSCC"), calculated as shown below.

The CSCC will be calculated as follows:

The CSCC rate shall be equal to the system average unrecovered DTI demand charge revenue per therm beginning in the month of April through the initial month that storage capacity is released to the marketer. That overall per therm rate will be adjusted by the applicable residential or non-residential load factor to develop monthly residential and non-residential CSCC rates. The demand charges in this calculation include DTI Storage Capacity, Firm Transportation No-Notice Gas Storage Service ("FTNNGSS"), and Gas Storage Service ("GSS"). The system average unrecovered DTI demand charge revenue shall equal the sum of the differences between the DTI demand charge revenues collected and the average DTI fixed demand costs incurred beginning in the month of April through the initial month that storage capacity is released to the marketer. The CSCC rate will be set forth on the Company's Statement of Contribution to Storage Capacity Costs to be filed monthly with the Public Service Commission not less than three (3) days prior to the effective date. This Statement will also include the Company's WACOSG.

Issued in compliance order in Case 01-G-1668 dated September 23, 2003

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