

..DID: 21011
 ..TXT: PSC NO: 90 GAS LEAF: 90.1
 COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 1
 INITIAL EFFECTIVE DATE: 12/01/02 SUPERSEDING REVISION:
 STAMPS: Issued in compliance with Commission order in Case 01-G-1668 dated 11/
 Cancelled by 2 Rev. Leaf No. 90.1 Effective 02/01/2003
 RECEIVED: 11/26/02 STATUS: Cancelled EFFECTIVE: 12/01/02

GENERAL INFORMATION

14. GAS SUPPLY CHARGE (GSC): (CONT'D)

C. (Cont'd)

- (1) The Average Demand Cost of Gas shall be determined by applying the expected rates and charges of transporters, storage providers, and suppliers to the associated annualized billing determinants associated with transportation capacity, storage capacity and supply reservation for the period during which the GSC is to be effective;
 - (a) Plus other supplier charges;
 - (b) Less Standby Demand Charges received pursuant to Service Classification No. 6 of PSC No. 87 Gas, or superseding issues thereof;
 - (c) Less Monthly Charges pursuant to Service Classification No. 9 of PSC No. 88 Gas, or superseding issues thereof;
 - (d) Less Monthly Charges pursuant to Service Classification No. 11 of PSC No. 88 Gas, or superseding issues thereof;
 - (e) Less demand charges associated with customers reserving sales status;
 - (f) Plus/minus applicable fixed risk management costs;
 - (g) Less revenue associated with the Capacity Component of the TS, as set forth in General Information Section 16 of this Schedule; and then

Divided by,
 - (h) The forecasted weather normalized quantities of gas to be taken for delivery to the Company's firm sales customers during the twelve (12) calendar months ending the following August 31.
- (2) The Average Commodity Cost of Gas shall be the commodity cost determined by applying the variable rates and charges of the transporters, storage providers and suppliers to the billing determinants associated with transportation, storage and gas supply for the forecasted weather normalized quantities of gas to be taken for delivery to the Company's sales customers during the month in which the GSC will be in effect;

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

(Name of Officer, Title, Address)