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COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 0
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STAMPS:
Cancelled by 1 Rev. Leaf No. 9 Effective 09/01/1998
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GENERAL INFORMATION

4. BALANCING RECEIPTS AND DELIVERIES OF CUSTOMER-OWNED GAS:

A. Daily Balancing

The Customer has an imbalance on the Company's system when the quantity of Customer-owned gas received by the Company on any day and the corresponding quantity of gas delivered to the Customer's facilities, adjusted for losses, are not equal. Any positive or negative daily imbalances shall be cashed-out as stated below. Such daily cash-outs shall be summed and billed on a monthly basis.

Customers will, on a daily basis, be allowed a positive or negative imbalance range of ninety percent (90%) of daily nomination to one hundred ten percent (110%) of daily nomination without being required to cash-out for the day. Customers whose daily consumption does not fall within the ninety percent - one hundred ten percent (90%-110%) band shall cash-out daily to the ninety percent - one hundred ten percent (90%-110%) range.

For negative imbalance cash-outs, the Customer shall pay:

1. One hundred twenty percent (120%) of the Maximum Daily Gas Index per therm for all quantities between ten percent (10%) and fifteen percent (15%) deviation, plus one hundred thirty percent (130%) of the Maximum Daily Gas Index per therm for all quantities between fifteen percent (15%) and twenty percent (20%) deviation, plus one hundred forty percent (140%) of the Maximum Daily Gas Index per therm for all quantities in excess of twenty percent (20%) deviation from nomination, plus;
2. The cost of capacity released transportation demand, plus transportation commodity costs to the city gate, plus;
3. The pro rata share of the cost of any storage withdrawals priced at a seventy-five percent (75%) load factor for the Customer during winter months (October through March) and a one hundred fifty percent (150%) load factor for the Customer during summer months (April through September), plus;
4. The applicable transportation rate.

For positive imbalance cash-outs, the cash-out mechanism will work as follows:

Issued By: Michael I. German, Senior Vice President, Binghamton, New York
(Name of Officer, Title, Address)