Received: 12/08/1997

Status: CANCELLED
Effective Date: 02/27/1998

..DID: 1809
..TXT: PSC NO: 90 GAS LEAF: 92
COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 02/27/98 SUPERSEDING REVISION:
STAMPS:
Cancelled by 1 Rev. Leaf No. 92 Effective 12/01/2002
RECEIVED: 12/08/97 STATUS: Cancelled EFFECTIVE: 02/27/98

GENERAL INFORMATION

15. PIPELINE SUPPLIER ADJUSTMENTS AND OTHER REVENUE SHARING: (CONT'D)

A. Pipeline Supplier Adjustments (PSA): (Cont'd)

(3) Transition Cost Surcharge (TCS): (Cont'd)

The cost components described below are included in base firm sales prices per the Multi-Year Gas Rate Settlement Agreement in Case 95-G-0427, approved by order dated December 14, 1995.

(i) account 191 Costs shall be recovered from sales customers, and firm transportation customers who were sales prior to March 28, 1996;

(ii) future 858 Costs and Capital Costs shall be collected from sales and firm transportation customers based on an analysis of the FERC allocations of such costs;

(iii) stranded Investment Costs shall be recovered from sales customers and firm transportation customers. The costs reflected in the PSA for firm transportation customers of record prior to March 28, 1996 shall be fifty percent (50%) of the costs collected from sales customers, and;

(iv) gas Supply Realignment Costs shall be recovered from sales customers and firm transportation customers. The costs reflected in the PSA for firm transportation customers of record prior to March 26, 1996 shall be fifty percent (50%) of the costs collected from sales customers.

(c) Transportation customers who have firm transportation contracts with interstate pipelines at maximum prices, and who pay transition costs directly to the pipelines under those contracts, shall have those costs credited against their obligation under the TCS. However, such credit shall not exceed a customer's TCS obligation. The Company may require copies of the Customer's, or their agent's, bill showing transition costs are directly paid prior to issuing a TCS credit.

(d) Customers who migrate from firm sales to transportation service after March 28, 1996, and transportation customers that reserve sales status shall pay the same transition cost surcharge as a sales customer. Customers subject to this condition who demonstrate to the Company's satisfaction that they pay transition costs directly to a pipeline, will receive a credit from their transition cost surcharge for that portion of the transition costs not to exceed what they would have paid the Company otherwise.

Issued By: George E. Bonner, Vice President - Gas Operations & Marketing, Binghamton, NY
(Name of Officer, Title, Address)

Cancelled by 1 Rev. Leaf No. 92 Effective 12/01/2002