

..DID: 1200
..TXT: PSC NO: 89 GAS LEAF: 83
COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 11/07/97 SUPERSEDING REVISION:
STAMPS:
Cancelled by 1 Rev. Leaf No. 83 Effective 12/21/1997
RECEIVED: 08/20/97 STATUS: Cancelled EFFECTIVE: 11/07/97

GENERAL INFORMATION

36. ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF GAS:

A. Alternate Fuel Costs Adjustment Rate:

- (1) When it becomes necessary for the Company to implement curtailment procedures as set forth in Section 16.B. of this Schedule, the Company shall enter into contracts with participating voluntary dual-fuel customers, as defined in Priorities 4 and 5(a) of Section 16.B. of this Schedule designated by the PSC with dual-fuel capability installed to consume an alternate fuel in lieu of natural gas for which the Company will compensate such customers for the incremental cost of alternate fuel consumed in replacing natural gas which could be otherwise consumed by such participating customers, absent any curtailment. Customers currently having dual-fuel facilities that were installed prior to October 26, 1971 or that were voluntarily installed between that date and March 11, 1977, will be reimbursed for the difference between the cost of the alternate fuel, whatever it may be, and natural gas priced at the present prices contained in this Schedule. Customers having voluntary dual-fuel facilities installed after March 11, 1977 will be reimbursed for the difference between the cheapest feasible alternate fuel at the date of installation and natural gas priced at the present prices. The Company shall initially determine for each customer the alternate fuel which would qualify for reimbursement subject to review by the PSC. The Company will not reimburse the participating customers for alternate fuel that in equivalent natural gas quantities, when added to the Customer's actual natural gas use, exceeds such customer's natural gas limitations as provided in Section Rule 16.A.(2) of this Schedule. In the event of a gas curtailment to customers other than in Priorities 4 and 5(a), the reimbursements to participating customers in Priorities 4 and 5(a) shall be reduced ratably to reflect the same level of curtailment imposed upon such curtailed customers. Participating customers shall provide Company personnel with alternate fuel inventories and shall submit invoices and statements to be verified for the alternate fuel costs. Reimbursements of surcharge revenues received in a given month will be made in the next succeeding month. The Company shall not compensate the Customer for the incremental cost of alternate fuel used for any purpose other than the replacement of natural gas or for alternate fuel which such customer would otherwise have consumed.

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