

..DID: 17376
..TXT: PSC NO: 90 GAS LEAF: 90.4
COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 11/30/01 SUPERSEDING REVISION:
STAMPS:
CANCELLED by Supplement 6 effective 11/22/02
Suspended by order in Case 01-G-1668. See suppl. No. 5, ,
RECEIVED: 10/22/01 STATUS: Cancelled EFFECTIVE: 11/23/02

GENERAL INFORMATION

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

H. Supplier Refund Adjustment: (Cont'd)

- (3) In lieu of immediately applying any supplier refund, the Company may accumulate such refunds, with applicable interest, to be accounted for during the annual reconciliation. At the Company's discretion, accumulated refunds may be returned at any time preceding the annual reconciliation.

I. Annual Reconciliation Adjustment:

- (1) GSC recoveries will be reconciled with actual gas supply expenses on an annual basis. The Annual Reconciliation Adjustment will be determined by comparing gas supply expenses to GSC recoveries. The Annual Reconciliation Adjustment will be positive when gas supply expense exceeds GSC recoveries. The Annual Reconciliation Adjustment will be negative when GSC recoveries exceed gas supply expenses. The adjustment will be determined as follows:
- (a) The gas supply expense is the actual cost of gas incurred during the applicable period as described in General Information Section 14.C. of this schedule;
- (i) Less the previous year's overcollection including interest, to the extent not refunded;
- (ii) Plus the previous year's undercollection including interest, to the extent not recovered;
- (b) The Annual Reconciliation Adjustment is then calculated by dividing the gas supply expense by the forecasted sales quantities for the surcharge/refund period.
- (2) The Annual Reconciliation Adjustment will include simple interest, as prescribed from time to time by the PSC, on any unamortized surcharge or refund balance.
- (3) The annual reconciliation period will be the twelve (12) months ended August 31 of each year. The annual reconciliation shall be filed with the PSC on or before October 15. The GSC annual surcharge/refund will be effective with the GSC statement effective on January 1.

Issued By: Sherwood J. Rafferty, Senior Vice President, Ithaca, NY
(Name of Officer, Title, Address)