

Effective Date: 07/01/2016

PSC No: 88 - Gas

New York State Electric and Gas Corporation

Initial Effective Date: 07/01/16

Issued in compliance with Order in Case 15-G-0284, dated June 15, 2016

Leaf No. 9.3

Revision: 2

Superseding Revision: 0

GENERAL INFORMATION**4. DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)****G. Daily Balancing for Daily Balanced Pools: (Cont'd)****(2) Daily Cash-Out Calculation (Cont'd)**

- (c) Method for Calculating the Daily Cash-Out Price (Greater than 10%) shall utilize the following cash-out indices and associated multipliers (Cont'd)

Positive Imbalances (Over Deliveries)	Multiplier
Greater than +10% to +15%	90%
Greater than +15% to +20%	85%
Greater than +20% (Winter Period -- November through March)	60%
Greater than +20% (Summer Period -- April through October)	70%
Negative Imbalances (Under Deliveries)	Multiplier
Greater than -10% to -15%	110%
Greater than -15% to -20%	115%
Greater than -20% (Winter Period -- November through March)	140%
Greater than -20% (Summer Period -- April through October)	130%

(d) Upstream Pipeline Cost Overrun

Applicable and in addition to 4.G.(2)(b) and 4.G.(2)(c) above, the Company shall have the right to collect from ESCOs incremental upstream pipeline costs incurred, beyond the 10% balancing threshold, upon demonstration by the Company.

(e) Operational Flow Order (OFO)

During an OFO, the Daily Cash-Out Calculation as set forth in Sections 4.(G).(2)(a) and 4.(G).(2)(b), shall be suspended, and each ESCO's imbalance shall be cashed-out according to 4.G.(2)(c).

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York