

Effective Date: 07/01/2016

PSC NO: 90 GAS

NEW YORK STATE ELECTRIC &amp; GAS CORPORATION

INITIAL EFFECTIVE DATE: 07/01/2016

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

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SUPERSEDING REVISION: 0

**GENERAL INFORMATION****22. REVENUE DECOUPLING MECHANISM (RDM) ADJUSTMENT (Cont'd)****3. Calculation (Cont'd)**

- c. The first two months of the Rate Year shall be adjusted upward to reverse the effect of pro-ration between old and new rates in actual billed delivery service revenue. The actual billing determinants for each RDM applicable service class shall be multiplied by the approved rates for the Rate Year.
- d. If at any time during the Rate Year the cumulative difference between the actual billed revenues per customer and the cumulative target revenues per customer is 1.50% or more, the Company may file an interim RDM Adjustment for each service classification. For the Rate Years listed below, the amounts by Rate Year (positive or negative) will trigger an interim RDM Adjustment for each service classification:
  - (i) Rate Year 1: \$2.57 million
  - (ii) Rate Year 2: \$2.78 million
  - (iii) Rate Year 3: \$3.00 million

Such interim RDM Adjustment shall be limited to no more than one per Rate Year and shall occur over four months or until the end of the Rate Year, whichever is longer.

**4. Filing of Statements**

- a. A Revenue Decoupling Mechanism (RDM) Statement setting forth the rate adjustment shall be filed with the Public Service Commission on not less than 30-days' notice.
- b. Should the Company file an interim RDM Adjustment as described above, such filing shall occur on not less than 10-days' notice.
- c. Such statements can be found at the end of each Schedule (P.S.C. No. 87 – Gas and P.S.C. No. 88 – Gas).

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