

..DID: 2211
..TXT:

January 23, 1998

Honorable John C. Crary
Secretary
Public Service Commission
3 Empire State Plaza
Albany, New York 12223

Dear Secretary Crary:

The enclosed revised leaf, issued by New York State Electric & Gas Corporation ("NYSEG" or the "Company"), is transmitted for filing in compliance with the requirements of the Public Service Commission of the State of New York.

Tariff Amendments

First Revised Leaf No. 20 to PSC No. 89 Gas

Effective April 15, 1998.

Proposed Revisions

The above leaf is being filed to revise the flat rate of \$4.50 per foot to \$5.00 per foot for most incremental service line installations in compliance with an Order dated April 22, 1993 in Case No. 93-G-0106.

Background

In Case No. 93-G-0106, the Commission allowed NYSEG to amend its gas tariffs to include a provision to allow the Company to base charges for most incremental service line costs on a flat fee per foot when installing a gas service which requires facilities in addition to those required to be provided without charge. The provision provided better up-front customer understanding of their cost responsibilities in acquiring gas service from NYSEG. It also eliminated some unnecessary administration that was required to true-up actual costs to install a new service versus estimates agreed to by the customer.

To ensure that this flat fee continued to represent the current costs as closely as possible, the Commission further allowed NYSEG to annually review and file changes with the Commission by February 1. Annual changes of the charge are specifically defined in the tariffs to be based on actual experience during the previous twelve months ended September 30.

Purpose of the Filing

In compliance with Commission order in Case No. 93-G-0106, NYSEG proposes to update its unit cost charged customers for that portion of gas service line installation in excess of that required to be provided without charge.

Objectives

The objective of the filing is to update the unit rate to customers whose service diameter does not exceed two inches to \$5.00 per foot, from \$4.50 per foot, based on the weighted average of actual cost data for the twelve months ended September 30, 1997.

Newspaper Publication

NYSEG requests waiver of newspaper publication, pursuant to 16 NYCRR 270.70(a), as this change is primarily procedural and effected customers will be provided information directly when they contact the Company.

A State Administrative Procedure Act Notice is enclosed for publication in the State Bulletin.

Company Contacts

If you have any questions regarding this tariff revision, please contact Dan Verdun at (607) 762-4296.

Very Truly Yours,

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Encls.
Cy.:Lyle VanVranken, PSC

STEVEN R. ADAMS
Manager - Gas Pricing