



August 27, 2010

Honorable Jaclyn A. Brillling, Secretary  
State of New York  
Public Service Commission  
Office of the Secretary, 19<sup>th</sup> Floor  
Three Empire State Plaza  
Albany, New York 12223-1350

Dear Secretary Brillling:

Attached for filing in accordance with the requirements of the Public Service Commission of the State of New York is the following Statement:

Statement of Net Revenue Sharing Surcharge No. 9

To PSC No. 219 Gas

Effective: October 1, 2010

The company files this Statement in compliance with Rule 26 of its PSC No. 219 Gas Tariff and the Company's Gas Settlement dated February 13, 2009 in Case 08-G-0609. Rule 26.1.2 requires the Company to submit for review and approval by September 1, 2010 its calculation of any net revenue sharing refund or recovery for the period of June 1, 2009 through May 31, 2010.

This calculation results in a surcharge rate of \$0.00092 per therm. The surcharge rate is based on the amount of \$439,392.51 under recovered from Service Classifications 4, 6 & 9 for the twelve month period ending May 31, 2010 inclusive of an adjustment related to the 90/10 percent symmetrical sharing applicable to Service Classification Nos. 4 & 6. The calculation was not further adjusted related to Tariff Rules 26.3.2, 26.3.3, 26.3.4 and 26.3.5. Rules 26.3.2 and 26.3.3 which provide for adjustments to the Net Revenue Sharing Surcharge when customers migrate from SC9 to SC8 (26.3.3) and from SC8 to SC 9 (26.3.2). However, no customers have migrated during the June 2009 – May 2010 time period. Rule 26.3.4 allows the Company to retain delivery service revenues from SC9 contracts at locations which have no pre-existing facilities or whose facilities are not adequately sized to accommodate the new demand. The Company has no new SC9 contracts that would pertain to this Tariff Rule. Rule 26.3.5 provides for an adjustment in the event of the re-negotiation of the special contract for Customer No. 6 as identified in Addendum No. 5 filed on April 14, 2009. As this customer's contract was not renegotiated, no adjustment has been included. The Company has, however, included additional adjustments related to the un-recovered balance from Statement No. 7 for \$184,206.82 and a refund from Statement No. 6 for - \$1,174.90. Thus, the total amount of \$622,424.43 is then divided by projected throughput for the twelve month period beginning October 1, 2010 through September 30, 2011 to arrive at a surcharge rate of \$0.00092 per therm.

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The table below illustrates the development of the resulting under collected delivery revenues inclusive of the adjustments described above.

	<b>SC4 &amp; 6</b>	<b>SC9 Individually Negotiated Contracts</b>	<b>Total</b>
<b>TARGETS TO DATE</b>	\$ 5,367,959	\$ 11,380,293	\$ 16,748,252
<b>TOTAL ACTUAL REVENUE</b>	\$ 5,656,322	\$ 10,681,374	\$ 16,337,696
<b>(OVER)/UNDER</b>	\$ (288,363)	\$ 698,919	\$ 410,556
<b>REVENUE SHARING BEFORE ADJUSTMENTS</b>	\$ (288,363)	\$ 698,919	\$ 410,556
<b>ADJUSTMENT, RULE 26.3.3 PER PSC 219 (SC9 TO SC8)</b>	\$ -	\$ -	\$ -
<b>ADJUSTMENT, RULE 26.3.5 PER PSC 219 (50% SHORTFALL ADJUSTMENT FOR RENEGOTIATED SC9 CONTRACT, CUSTOMER NO. 6)</b>	\$ -	\$ -	\$ -
<b>SHARING PERCENTAGE (SYMMETRICAL)</b>	90%	100%	
<b>RESULTING AMOUNT (OVER) / UNDER RECOVERED</b>	\$ (259,527)	\$ 698,919	\$ 439,393
<b>June 2009 - May 2010 Amount to be Recovered</b>			\$ 439,393
<b>September 2007 - August 2008 Balance to be Recovered</b>			\$ 184,207
<b>September 2006 - August 2007 Balance to be Refunded</b>			\$ (1,175)
<b>Total Amount to be Recovered</b>			\$ 622,424
<b>Estimated SC1,2,&amp;3 Sales and Delivery Only Therms</b>			673,951,296
<b>For the period October 2010 through September 2011 SURCHARGE EFFECTIVE OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011</b>			\$ 0.00092

Complete work papers supporting the \$0.00092/therm surcharge have been sent directly to the Commission's Staff.

Please advise the undersigned of any action taken on this filing at (315) 428-5880 or via e-mail to [amy.wisner@us.ngrid.com](mailto:amy.wisner@us.ngrid.com).

Very truly yours,

Amy Wisner  
Senior Analyst, Gas Pricing

AW/jt  
Enclosures

cc: Jennifer Tang  
Daniel J. Wheeler, PSC  
James M. Molloy

Dawn Herrity  
Robert T. Campbell  
Melissa Nairn

Jennifer B. Feinstein  
Cindy Kernan  
Thomas Coonan, PSC

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