



August 19, 2011

Honorable Jaclyn A. Brillling, Secretary
State of New York
Public Service Commission
Office of the Secretary, 19th 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. 10

To PSC No. 219 Gas

Effective: October 1, 2011

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, 2011 its calculation of any net revenue sharing refund or recovery for the period of June 1, 2010 through May 31, 2011.

This calculation results in a surcharge rate of \$0.00017 per therm. The surcharge rate is based on the amount of \$556,410 over recovered from Service Classifications 4, 6 & 9 for the twelve month period ending May 31, 2011 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, 26.3.4 and 26.3.5. An adjustment was made related to Rule 26.3.3 in the amount of \$31,584. Rules 26.3.2 and 26.3.3 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). One customer migrated during the June 2010 – May 2011 time period from SC9 to SC8. 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. 8 for \$682,654 and a refund from Statement No. 7 for -\$192. Thus, the total amount of \$126,051 is then divided by projected throughput for the twelve month period beginning October 1, 2011 through September 30, 2012 to arrive at a surcharge rate of \$0.00017 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.

	SC4 & 6	SC9 Individually Negotiated Contracts	Total
TARGETS TO DATE	\$ 5,367,959	\$ 11,380,293	\$ 16,748,252
TOTAL ACTUAL REVENUE	\$ 6,168,636	\$ 11,247,677	\$ 17,416,313
(OVER)/UNDER	\$ (800,677)	\$ 132,616	\$ (668,061)
REVENUE SHARING BEFORE ADJUSTMENTS	\$ (800,677)	\$ 132,616	\$ (668,061)
ADJUSTMENT PER RULE 26.3.3, PSC 219 (SC9 TO SC8)		\$ 31,584	\$ 31,584
ADJUSTMENT PER RULE 26.3.5, PSC 219 (50% SHORTFALL ADJUSTMENT FOR RENEGOTIATED SC9 CONTRACT, CUSTOMER NO. 6)		\$ -	\$ -
SHARING PERCENTAGE (SYMMETRICAL)	90%	100%	
RESULTING AMOUNT (OVER)/UNDER TO BE RECOVERED	\$ (720,609)	\$ 164,199	\$ (556,410)
PRIOR BALANCE TO BE RECOVERED-Stmt 8			\$ 682,654
PRIOR BALANCE TO BE REFUNDED-Stmt 7			\$ (192)
TOTAL AMOUNT TO BE RECOVERED/(SURCHARGED)			\$ 126,051
ESTIMATED SC1,2&3 Sales and Delivery Only Therms			723,591,210
SURCHARGE EFFECTIVE OCTOBER 1, 2011 THROUGH SEPTEMBER 30, 2012			\$ 0.00017

Complete work papers supporting the \$0.00017 per 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.

Very truly yours,

Amy Wisner
 Senior Analyst, Gas Pricing

AW/jt
 Enclosures

cc: Jennifer Tang
 Daniel J. Wheeler, PSC
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