

PSC NO. 90 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
 Initial Effective Date: 11/1/03

Leaf: 90
 Revision: 6
 Superseding Revision: 5

GENERAL INFORMATION

14. GAS SUPPLY CHARGE (GSC):

A. Applicability

- (1) Effective October 1, 2002, the GSC will be applicable to all customers taking service pursuant to Service Classification Nos. 1, 2, 5, 8, 9 and 10 of PSC No. 87 Gas, or superseding issues thereof.
 - (a) For the months of October and November 2002, the Company will defer the difference between gas costs collected based on the embedded cost of gas, including the index price adjustment for non-residential sales customers, and its actual cost of gas.
 - (i) For residential customers (Service Classification No. 1), the Company will collect the October and November 2002 deferred gas cost pursuant to the Bill Mitigation Plan set forth in Section 15 of this Schedule.
 - (ii) For non-residential customers (Service Classification Nos. 2, 5, 8, 9 and 10), reconciliation of October and November 2002 gas costs will occur through this GSC.
- (2) The applicable GSC, per Therm of usage, will be charged to customers by prorating the GSCs in effect during the billing period based on the number of days each GSC was in effect during the billing period.

B. Monthly GSC Calculation

- (1) The GSCs will be calculated on a monthly basis.
- (2) A monthly GSC will be calculated for each applicable service classification of each Rate Area. Each GSC will be a function of the applicable Gas Supply Area (GSA). The GSAs and applicable Rate Areas are:

<u>Gas Supply Area</u>	<u>Rate Area</u>
GSA 1	Combined, Elmira, Goshen and Champlain
GSA 2	Binghamton and Owego
GSA 3	Lockport

Issued in compliance with order in Case 02-M-0515 dated 04/24/03.

Issued by: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY