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PSC NO: 90 Gas

NEW YORK STATE ELECTRIC & GAS CORPORATION

Initial Effective Date: 01/01/06

Leaf: 70

Revision: 1

Superseding Revision: 0

GENERAL INFORMATION

8. BILLING AND COLLECTIONS: (CONT'D)

- Q. Budget Billing: (Cont'd)
 - (2) Non-Residential: (Cont'd)
 - (b) Budget billing plan will:
 - (i) establish an eligible customer's monthly or bi-monthly budget billing amount which will take into consideration the best available relevant factors including the Company's standard estimation factors, projected prices, fuel adjustment charges and taxes:
 - (ii) compare the actual cost of service rendered, as determined by actual meter readings and any price increases or decreases, to the budget billing amount, and for adjusting upwards or downwards the budget billing amount to minimize the adjustment required on the final settlement bill, which comparison will be done not less than two (2) nor more than four (4) times annually, and at the end of the plan year;
 - (iii) identify the total of the budget billing amounts billed and the total of the actual dollar value of the consumption used during the period covered by the current bill;
 - (iv) provide a final budget settlement bill that will be rendered at the end of the plan year or when the Customer requests removal from the budget billing plan or when the Company removes the Customer from the budget billing plan which:
 - 1. sets forth a reconciliation between the total budget billing amount billed, the cost of service actually used and the amounts paid during the plan period; and
 - 2. if payment was received in excess of the cost of service actually used during the plan period, will advise the Customer of the Company's policy regarding return of the excess payment. Excess payment may be credited to the Customer's account or upon request refunded by check within thirty (30) calendar days of the rendering of the final budget settlement bill.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York