PSC NO: 90 Gas NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: 01/01/06 Leaf: 68 Revision: 1 Superseding Revision: 0

GENERAL INFORMATION

8. BILLING AND COLLECTIONS: (CONT'D)

- Q. Budget Billing: (Cont'd)
 - (1) Residential: (Cont'd)

During the plan year the Customer's actual use will be billed regularly as provided under the applicable service classification. If at the end of the twelve (12) months the amount of budget billing is less than that corresponding to the amount resulting from the regular billing under the applicable service classification of the Customer's actual usage, then the Customer shall pay the deficiency as well as the stipulated monthly budget payment for the twelfth month billing cycle. If the amount of the budget billing is greater than such regular billing, the Company will apply the excess as credit against future bills or will refund the excess paid.

In order to minimize the amount of over or under-payment to be adjusted on the twelfth month bill, the Company will, at the end of the third, sixth and ninth month, review the Customer's plan balance and, based upon known and/or projected prices, adjustments, and usage, re-estimate the remaining bills. The Company will also review the Customer's plan balance if basic price, adjustment, or usage changes occur at other times during the plan year. Any of these reviews can result in mandatory revisions to the stipulated monthly payment.

If the Customer should fail to make the stipulated monthly payment on or before the past due date indicated on the bill, this plan may be cancelled and the Customer billed in accordance with the applicable service classification. Bills paid after the past due date will be subject to a late payment charge

The actual bill for customers will be computed in accordance with the applicable service classification. The late payment charge for residential customers will be calculated at the rate of one and one-half percent $(1 \ 1/2\%)$ per month on all amounts not paid by the past due date indicated on the bill.

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