

PSC NO: 119 ELECTRICITY  
NEW YORK STATE ELECTRIC & GAS CORPORATION  
Initial Effective Date: 01/01/06

Leaf: 98  
Revision: 1  
Superseding Revision: 0

### GENERAL INFORMATION

4. Billing and Collections: (Cont'd.)

O. Budget Billing:

**Residential**

Residential customers and customers who are condominium associations or cooperative housing corporations may, by signing an application, be billed monthly in accordance with the following plan:

The customer's annual billing will be estimated at the applicable unit prices for estimated usage in the next 12 months. Each month for 12 months, commencing with the next monthly billing cycle, the customer will be billed a "budget" amount equal to 1/12 of such estimated annual billing.

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 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 12th month (twelfth) billing cycle. If the amount of the budget billing is greater than such regular billing, the Corporation 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 12th month (twelfth) bill, the Corporation will, at the end of the third, sixth and ninth month, review the customer's plan balance and, based upon known and/or projected rates, adjustments, and usage, re-estimate the remaining bills. The Corporation will also review the customer's plan balance if basic rate, 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 budget billed amounts not paid by the past due date indicated on the bill.

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