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GENERAL INFORMATION

4. BALANCING RECEIPTS AND DELIVERIES: (CONT'D)

C. Monthly Balancing For Daily Metered Customers: (Cont'd)

- (b) A positive imbalance exists when the Pool has consumption in a given month that is less than the Pool's deliveries of gas to the Company. For positive imbalance cash-outs, the cash-out mechanism will work as follows:
 - (i) Excess gas delivered to the city gate will be purchased from the Pool Operator at the following rates: One hundred percent (100%) of the monthly average of the Minimum Daily Gas Index for the applicable month per therm for all quantities between zero percent (0%) and ten percent (10%) deviation, plus eighty percent (80%) of the monthly average of the Minimum Daily Gas Index for the applicable month per therm for all quantities between ten percent (10%) and fifteen percent (15%) deviation, plus seventy percent (70%) of the monthly average of the Minimum Daily Gas Index for the applicable month per therm for all quantities between fifteen percent (15%) and twenty percent (20%) deviation, plus sixty percent (60%) of the monthly average of the Minimum Daily Gas Index for the applicable month per therm for all quantities in excess of twenty percent (20%) deviation from delivery, plus;
 - (ii) For each therm, the Pool Operator will pay for the cost of storage injections for gas subject to the cash-out which has been over-delivered.
- (2) Monthly balancing shall not apply during periods of interruption and when Operational Flow Orders ("OFOs") are in effect. During OFO's, all customers will be required to daily balance.

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(Name of Officer, Title, Address)