

..DID: 21465  
 ..TXT: PSC NO: 90 GAS LEAF: 97  
 COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 2  
 INITIAL EFFECTIVE DATE: 02/01/03 SUPERSEDING REVISION: 1  
 STAMPS: Issued in compliance with Commission order in Case 01-G-1668 dated 11/  
 RECEIVED: 01/30/03 STATUS: Effective EFFECTIVE: 02/01/03

### GENERAL INFORMATION

#### 16. TRANSITION SURCHARGE: (CONT'D)

##### A. Capacity Component: (Con'td)

(1) The capacity costs to be recovered are calculated as follows: (Cont'd)

(b) (Cont'd)

Ucap = total utility upstream pipeline capacity (dt).

MA\_ucap\$ = utility upstream market area capacity costs (\$).

MA\_ucapD\$ = utility market area capacity costs that have been decontracted (\$).

(c)  $SA\_\$cap = [(tcap - SA\_ucapD - SA\_fgrow) / (ucap - SA\_ucapD)] * [SA\_ucap\$ - SA\_ucapD\$]$

where,

tcap = amount of capacity associated with customers using their own capacity to bring gas to the citygate (dt).

SA\_ucapD = the Company's supply area pipeline capacity that has been de-contracted due to customer migration from sales to transportation (dt).

SA\_fgrow = the amount of tcap used to meet growth in the Company's design day firm sales load (dt).

Ucap = total utility upstream pipeline capacity (dt).

SA\_ucap\$ = utility upstream supply area capacity costs (\$).

SA\_ucapD\$ = utility supply area capacity costs that have been decontracted (\$).

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

(Name of Officer, Title, Address)