

..DID: 7166
..TXT: PSC NO: 88 GAS LEAF: 9.1
COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 2
INITIAL EFFECTIVE DATE: 04/01/99 SUPERSEDING REVISION: 1
STAMPS:
RECEIVED: 01/29/99 STATUS: Effective EFFECTIVE: 04/01/99

GENERAL INFORMATION

4. DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)

G. Daily Balancing for Daily Balanced Pools:

A daily balanced Pool will have an imbalance on the Company's system when the quantity of gas received by the Company for the Pool and the corresponding quantity of gas delivered to the facilities of the Customer(s) that belong to the Pool, adjusted for losses, are not equal on any Day. Any positive or negative daily imbalances shall be cashed-out as stated below. Such daily cash-outs shall be summed and billed to the Pool Operator on a monthly basis.

A daily balanced Pool will be allowed a positive or negative imbalance range of ninety percent (90%) of daily delivery to one hundred ten percent (110%) of daily delivery without incurring a daily cash-out in each Pooling Area. A Pool with daily consumption that does not fall within the ninety percent - one hundred ten percent (90%-110%) band shall be cashed-out daily to the ninety percent - one hundred ten percent (90%-110%) range.

Negative Daily Imbalances:

A negative daily imbalance exists when the Pool has consumption greater than the Pool's deliveries of gas to the Company in the Pooling Area on a given day. For negative daily imbalance cash-outs, the Pool Operator shall pay:

- (1) One hundred twenty percent (120%) of the Maximum Daily Gas Index per therm for all quantities between ten percent (10%) and fifteen percent (15%) deviation, plus one hundred thirty percent (130%) of the Maximum Daily Gas Index per therm for all quantities between fifteen percent (15%) and twenty percent (20%) deviation, plus one hundred forty percent (140%) of the Maximum Daily Gas Index per therm for all quantities in excess of twenty percent (20%) deviation from nomination, plus;
- (2) For each therm, the demand cost of pipeline transportation capacity, fuel, and commodity costs as set forth in each applicable pipeline's FERC tariff, to the city gate.

Positive Daily Imbalances:

A positive daily imbalance exists when the Pool has consumption less than the Pool's deliveries of gas to the Company in the Pooling Area on a given day. For positive imbalance cash-outs, the cash-out mechanism will work as follows:

Issued By: George E. Bonner, Vice President - Gas Operations & Marketing, Binghamton, NY
(Name of Officer, Title, Address)