Received: 10/22/2001 Status: CANCELLED Effective Date: 11/23/2002

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COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 0

INITIAL EFFECTIVE DATE: 11/30/01 SUPERSEDING REVISION:

STAMPS:

CANCELLED by Supplement 6 effective 11/22/02

Suspended by order in Case 01-G-1668. See suppl. No. 5, , RECEIVED: 10/22/01 STATUS: Cancelled EFFECTIVE: 11/23/02

GENERAL INFORMATION

20. Delivery Adjustment Charge (DAC):

- A. Purpose:
 - (1) The DAC will be an interim charge to allow the recovery of prudent distribution system investment.
- B. Applicability:
 - (1) The DAC will be applicable to all customers taking service pursuant to Service Classification Nos. 1, 2, 5 and 9 of PSC No. 87 Gas, or superseding issues thereof, and Service Classification Nos. 1, 5, 13 and 14 of PSC No. 88 Gas, or superseding issues thereof.
 - (2) The applicable DAC, per therm of usage, will be applied to a customer's bill by prorating the DACs in effect during the billing period based on the number of days each DAC was in effect during the billing period.
 - (3) The DAC will be applied to applicable base delivery rates, as approved by the PSC.
- C. Calculation of the Delivery Adjustment Charge:
 - (1) The DAC will be calculated using the following formula:

D A C

AIRR * RF

FD

And,

R F =

SS * FD

FSS*AIRR

- (2) Where,
 - (a) "AIRR" is the Actual Investment Revenue Requirement required for facilities constructed to produce SS, including expenses, and will be based on the Company's most recently authorized pre-tax return.

Issued By: Sherwood J. Rafferty, Senior Vice President, Ithaca, NY (Name of Officer, Title, Address)