

..DID: 8035
..TXT:

April 1, 1999

Honorable Debra Renner
Acting Secretary
Public Service Commission
3 Empire State Plaza
Albany, New York 12223

Re: Case Nos. 98-G-1785, et. al.

Dear Acting Secretary Renner:

The enclosed revised and original leaves, issued by New York State Electric & Gas Corporation ("NYSEG" or the "Company"), are transmitted for filing in compliance with the requirements of the Public Service Commission of the State of New York.

Tariff Amendments

Third	Revised	Leaf No. 53.1	to PSC No. 88 Gas
Fourth	Revised	Leaf No. 66	to PSC No. 88 Gas
Fourth	Revised	Leaf No. 67	to PSC No. 88 Gas
Fifth	Revised	Leaf No. 69	to PSC No. 88 Gas
Original		Leaf No. 69.1	to PSC No. 88 Gas
Second	Revised	Leaf No. 98	to PSC No. 90 Gas
First	Revised	Leaf No. 99	to PSC No. 90 Gas

Effective May 1, 1999.

Proposed Revisions

NYSEG proposes to modify the applicability of the Transition Surcharge (TS) to include customers in PSC 88 Service Classification Nos. 1, 4 and 5 initiating service on or before November 2, 1995 that (1) elect Standby Sales Service under PSC 87 Service Classification No. 6, or (2) elect to reserve "Sales Customers" status. For those customers electing partial Standby Sales Service, the applicable TS will be prorated based on the ratio of Standby Sales Service to MDTQ. NYSEG proposes that these modifications be effective May 1, 1999.

Background

On March 31, 1999, NYSEG submitted its filing ("March 31 Filing") in compliance with the Commission's Order Concerning Capacity Assignment ("Capacity Assignment Order"), issued March 24, 1999 in Case 97-G-1380 et. al.. As required by the Capacity Assignment Order, NYSEG complied with several aspects of the Commission's Order Concerning Recovery of Stranded Capacity Costs ("Stranded Cost Order"), issued on February 22, 1999 in Case 98-G-1785 et. al.. However, the Stranded Cost Order did require major gas corporations to undertake specific actions not included in the subsequently issued Capacity Assignment Order. Therefore, NYSEG is submitting these revisions in compliance with the remaining requirements of the Stranded Cost Order.

Specifically, in the Stranded Cost Order, the Commission ordered the following:

Major gas corporations shall review their tariffs to insure that transportation customers are not deriving benefits in the form of system reliability without paying the costs associated with them, and shall file proposed tariff amendments containing any necessary changes within ninety days of this order to become effective on thirty days notice. (Stranded Cost Order, Page 15, Ordering Clause 2)

This requirement was further explained in the body of the Stranded Cost Order where the Commission stated:

Any customer who is currently paying standby charges for the right to return to firm sales service should be allocated net stranded capacity costs via the volumetric unit rates adopted herein for that portion of its load that is supported by the reservation charge. (Stranded Cost Order, Page 12, footnote 1)

Therefore, NYSEG proposes to modify the applicability of the Transition Surcharge (TS) to include customers in PSC 88 Service Classification Nos. 1, 4 and 5 initiating service on or before November 2, 1995 that (1) elect Standby Sales Service under PSC 87 Service Classification No. 6, or (2) elect to reserve "Sales Customers" status. For those customers electing partial Standby Sales Service, the applicable TS will be prorated based on the ratio of Standby Sales Service to MDTQ. NYSEG proposes that these modifications be effective May 1, 1999.

Newspaper Publication

Pursuant to Ordering Clause No. 1 of the Commission's February 22, 1999 order, the requirement of §66(12)(b) of the Public Service Law as to newspaper publication has been waived.

Company Contacts

If you have any questions regarding this tariff filing, please contact Dan Verdun at (607) 762-4296.

Very Truly Yours,

/dlv
Encls.
Cy.:Alan F. Mostek, PSC

STEVEN R. ADAMS
Manager - Gas Pricing, Regulation & Strategy