

..DID: 1315  
..TXT: PSC NO: 87 GAS STATEMENT TYPE: FPO  
COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION STATEMENT NO: 7  
INITIAL EFFECTIVE DATE: 09/01/97  
STAMPS:  
Cancelled by Statement FPO Number 8 Effective 10/01/1997  
RECEIVED: 08/26/97 STATUS: Cancelled EFFECTIVE: 09/01/97

STATEMENT OF FIXED PRICE OPTION  
Service Classifications No. 2 and 8  
(Per Therm)

FINAL PRICES BASED ON AUGUST 21, 1997 CLOSING

| MONTH | NYMEX<br>PRICE | NYMEX<br>BASE | ADJUSTMENT |
|-------|----------------|---------------|------------|
| 1     | \$0.2445       | \$0.1550      | \$0.0895   |
| 3     | \$0.2459       | \$0.1550      | \$0.0909   |
| 6     | \$0.2564       | \$0.1550      | \$0.1014   |
| 9     | \$0.2476       | \$0.1550      | \$0.0926   |
| 11    | \$0.2456       | \$0.1550      | \$0.0906   |

Note: 1 Month Fixed Price Option is used solely to establish the Maximum Allowable Rate for Non-Core Sales Customers.

Issued By: George E. Bonner, Vice President, Binghamton, New York  
(Name of Officer, Title, Address)