Received: 09/17/2009 Status: CANCELLED Effective Date: 09/26/2010

PSC No: 87 - Gas

Leaf No. 18.1

New York State Electric & Gas Corporation

Revision: 3

Initial Effective Date: 10/17/09

Superseding Revision: 2

SERVICE CLASSIFICATION NO. 2 (CONT'D)

GENERAL SERVICE (CONT'D)

SPECIAL PROVISIONS: (CONT'D)

B. Economic Development Incentive (EDI):

As provided in General Information Section 6 of this schedule, this provision is no longer available to additional customers on or after 10/17/09.

Customers who qualify, under the Economic Development Incentive (EDI) in Section 6 of the General Information section of this Schedule, to receive an incentive for usage qualified prior 10/01/04 will have their service bills reduced for a term of 60 months. The reduction will be based on the following discount rates by Area for such qualified Therms in excess of the greater of: 1) 500 Therms; or 2) the base amount established for each monthly billing period (as described in General Information Section 6 of this Schedule):

Elmira Area \$0.04 per Therm
Goshen, Lockport, Combined Areas \$0.05 per Therm
Owego Area \$0.03 per Therm
Binghamton Area 50% off Tailblock

Customers who qualify, under the Economic Development Incentive (EDI) in Section 6 of the General Information section of this Schedule, to receive an incentive for usage qualified on or after 10/01/04 will have their service bills reduced for a term of 60 months. The reduction will be based on the following discount rates by Area for such qualified Therms in excess of the base amount established for each monthly billing period (as described in General Information Section 6 of this Schedule):

For All Areas except Champlain:

	Effective Date
Discount Rate (per Therm)	
Next 497 Therms	\$0.0340
Next 14,500 Therms	\$0.0238
Next 35,000 Therms	\$0.0238
Over 50,000 Therms	\$0.0238

For Champlain Area:

1 of Champiani Area.	
	Effective Date
Discount Rate (per Therm)	
Next 222 Therms	\$0.0340
Next 275 Therms	\$0.0340
Next 14,500 Therms	\$0.0238
Next 35,000 Therms	\$0.0238
Over 50,000 Therms	\$0.0238

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York