Received: 11/09/2006

Status: CANCELLED Effective Date: 01/01/2007

PSC No: 87 - Gas Leaf No. 12.1 NEW YORK STATE ELECTRIC & GAS CORPORATION Revision: 2 Initial Effective Date: 01/01/07 Superseding Revision: 1

SERVICE CLASSIFICATION NO. 1 (CONT'D)

RESIDENTIAL SERVICE (CONT'D)

PRICE: (Per Month) (Cont'd)

(1) Gas Delivery Charges: (Cont'd)

A. Delivery Rates: (Cont'd)

| Goshen Area | Effective Date | | |
|--------------------------------------|----------------|----------|----------|
| | 01/01/07 | 10/01/07 | 10/01/08 |
| Basic Service Charge | | | |
| First 3 Therms or less (Low Income) | \$6.70 | \$7.20 | \$7.70 |
| First 3 Therms or less (Non-Heating) | \$9.30 | \$9.80 | \$10.30 |
| First 3 Therms or less (Heating) | \$13.30 | \$13.80 | \$14.30 |
| Bill Issuance Charge | \$0.70 | \$0.70 | \$0.70 |
| Usage Charge (per Therm) | | | |
| Next 47 Therms | \$0.4042 | \$0.3911 | \$0.3780 |
| Over 50 Therms | \$0.1164 | \$0.1192 | \$0.1220 |

| Lockport Area | Effective Date | | |
|--------------------------------------|----------------|----------|----------|
| | 01/01/07 | 10/01/07 | 10/01/08 |
| Basic Service Charge | | | |
| First 3 Therms or less (Low Income) | \$6.70 | \$7.20 | \$7.70 |
| First 3 Therms or less (Non-Heating) | \$9.30 | \$9.80 | \$10.30 |
| First 3 Therms or less (Heating) | \$13.30 | \$13.80 | \$14.30 |
| Bill Issuance Charge | \$0.70 | \$0.70 | \$0.70 |
| Usage Charge (per Therm) | | | |
| Next 47 Therms | \$0.4166 | \$0.3973 | \$0.3780 |
| Over 50 Therms | \$0.1192 | \$0.1206 | \$0.1220 |

| Elmira Area | Effective Date | | |
|--------------------------------------|----------------|----------|----------|
| | 01/01/07 | 10/01/07 | 10/01/08 |
| Basic Service Charge | | | |
| First 3 Therms or less (Low Income) | \$6.70 | \$7.20 | \$7.70 |
| First 3 Therms or less (Non-Heating) | \$9.30 | \$9.80 | \$10.30 |
| First 3 Therms or less (Heating) | \$13.30 | \$13.80 | \$14.30 |
| Bill Issuance Charge | \$0.70 | \$0.70 | \$0.70 |
| Usage Charge (per Therm) | | | |
| Next 47 Therms | \$0.3865 | \$0.3822 | \$0.3780 |
| Over 50 Therms | \$0.1302 | \$0.1261 | \$0.1220 |

Issued in compliance with Order in Case No. 00-M-0504

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