PSC No: 88 - Gas NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: 04/01/08 Leaf No. 53 Revision: 9 Superseding Revision: 7

SERVICE CLASSIFICATION NO. 1 (CONT'D)

FIRM TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

B. For Customers Who Do Wish to Reserve Their "Sales Customers" Status: (Cont'd)

Champlain Area	Effective Date	
	04/01/08	10/01/08
Transportation Administration Charge		
First 500 Therms or less	\$654.85	\$654.85
Bill Issuance Charge	\$0.70	\$0.70
Usage Charge (per Therm)		
Next 14,500 Therms	\$0.2365	\$0.2365
Next 35,000 Therms	\$0.1725	\$0.1725
Over 50,000 Therms	\$0.1667	\$0.1667

If the provision of transportation service to the Customer requires the Company to engage the services of others, an amount reflecting the costs incurred by the Company will be added to the prices reflected in Sections A. and B. of this service classification.

C. Demand Cost of Gas Adjustment:

The charges for customers who wish to reserve their "sales customer" status, set forth in Section B, shall be subject to a Demand Cost of Gas Adjustment per Therm of gas supplied hereunder, when the Company's average demand cost of reserving "sales customer" status differs from the base demand cost of \$0.1111 per Therm.

Issued in compliance with Order in Case No. 06-G-1386 dated 12/22/2006

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