PSC No: 88 Gas New York State Electric and Gas Corporation Initial Effective Date: 11/01/07 Leaf No: 12.3 Revision No: 5 Superseding Revision: 4

GENERAL INFORMATION

4. DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)

Q. Capacity Assignment:

Any Customer in Cattaraugus County (also referred to as "Olean"), requesting firm transportation service under this Schedule, who was a firm sales customer on or after November 2, 1995, shall take an assignment of upstream pipeline transportation capacity at the Company's contracted rate, effective with this provision. The quantity of upstream pipeline transportation capacity assigned shall be sufficient to meet the Customer's estimated Maximum Daily Transportation Quantity (MDTQ), based on the Company's design day criteria. At the Customer's request, capacity may be directly assigned to the Customer's ESCO.

Capacity shall be assigned to a transportation Customer or their ESCO to meet operational and reliability needs. Such assignments shall be for successive one (1) year terms one month at a time. The capacity assignment shall be recallable under any of the following four conditions: (1) the Customer requests firm sales service from the Company; (2) the Customer ceases to be a Customer of the Company; (3) the Customer switches to a new ESCO; or (4) the Customer's ESCO fails to perform.

R. Capacity Surcharge(s):

ESCOs of daily metered transportation Customers, or Direct Customers, in the Goshen Area, Champlain Area, Plattsburgh District and Mechanicville District shall be assessed a capacity surcharge. The capacity surcharge will reflect the costs incurred by the Company to transport Customers' supplies on intermediary local distribution companies and intrastate pipelines.

S. Voluntary Capacity Assignment:

Customers or ESCOs may voluntarily take assignment of the Company's available upstream storage and transportation capacity.

Such assignments shall be for successive one (1) year terms one month at a time so long as the Company continues to have operationally available capacity. The capacity assigned shall be recallable.

Issued in Compliance with order in case 07-G-0299 dated August 30, 2007

Issued By: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY

Cancelled by 6 Rev. Leaf No. 12.3 Effective 04/01/2021