Received: 11/17/2004

Status: CANCELLED Effective Date: 11/18/2004

PSC No: 88 - Gas Leaf No. 69.1 NEW YORK STATE ELECTRIC & GAS CORPORATION Revision: 5 Initial Effective Date: 11/18/04 Superseding Revision: 4

# SERVICE CLASSIFICATION NO. 5 (CONT'D)

# SMALL FIRM TRANSPORTATION SERVICE (CONT'D)

# PRICE: (Per Month) (CONT'D)

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

| Combined Area                        | Effective Date |          |          |          |          |
|--------------------------------------|----------------|----------|----------|----------|----------|
|                                      | 10/01/04       | 10/01/05 | 10/01/06 | 10/01/07 | 10/01/08 |
| Transportation Administration Charge |                |          |          |          |          |
| First 3 Therms or less               | \$200.33       | \$200.33 | \$200.33 | \$200.33 | \$255.55 |
| Usage Charge (per Therm)             |                |          |          |          |          |
| Next 497 Therms                      | \$0.2169       | \$0.1905 | \$0.1640 | \$0.1376 | \$0.0000 |
| Next 14,500 Therms                   | \$0.2455       | \$0.2476 | \$0.2498 | \$0.2519 | \$0.2540 |
| Over 15,000 Therms                   | \$0.2055       | \$0.2119 | \$0.2183 | \$0.2247 | \$0.2311 |

| Binghamton Area                      | Effective Date |          |          |          |          |
|--------------------------------------|----------------|----------|----------|----------|----------|
|                                      | 10/01/04       | 10/01/05 | 10/01/06 | 10/01/07 | 10/01/08 |
| Transportation Administration Charge |                |          |          |          |          |
| First 3 Therms or less               | \$201.13       | \$200.93 | \$200.73 | \$200.53 | \$255.55 |
| Usage Charge (per Therm)             |                |          |          |          |          |
| Next 497 Therms                      | \$0.3035       | \$0.2554 | \$0.2073 | \$0.1592 | \$0.0000 |
| Next 14,500 Therms                   | \$0.3321       | \$0.3126 | \$0.2930 | \$0.2735 | \$0.2540 |
| Over 15,000 Therms                   | \$0.2605       | \$0.2532 | \$0.2458 | \$0.2385 | \$0.2311 |

| Champlain Area                       | Effective Date |          |          |          |          |
|--------------------------------------|----------------|----------|----------|----------|----------|
|                                      | 10/01/04       | 10/01/05 | 10/01/06 | 10/01/07 | 10/01/08 |
| Transportation Administration Charge |                |          |          |          |          |
| First 500 Therms or less             | \$255.55       | \$255.55 | \$255.55 | \$255.55 | \$255.55 |
| Usage Charge (per Therm)             |                |          |          |          |          |
| Next 14,500 Therms                   | \$0.2540       | \$0.2540 | \$0.2540 | \$0.2540 | \$0.2540 |
| Over 15,000 Therms                   | \$0.2311       | \$0.2311 | \$0.2311 | \$0.2311 | \$0.2311 |

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.

# D. Research and Development (R&D) Adjustment:

The charges set forth herein will be subject to a R&D Adjustment per Therm of gas delivered as explained in Section 18 of PSC No. 90 Gas, or superseding issues thereof.

Issued in compliance with Order in Case 01-G-1668 dated September 23, 2004

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