

PSC No: 87 - Gas  
NEW YORK STATE ELECTRIC & GAS CORPORATION  
Initial Effective Date: 10/01/04

Leaf No. 18.1  
Revision: 1  
Superseding Revision: 0

**SERVICE CLASSIFICATION NO. 2 (CONT'D)**

**GENERAL SERVICE (CONT'D)**

**SPECIAL PROVISIONS: (CONT'D)**

**B. Economic Development Incentive (EDI):**

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

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 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				
	10/01/04	10/01/05	10/01/06	10/01/07	10/01/08
Discount Rate (per Therm)					
Next 497 Therms	\$0.0238	\$0.0247	\$0.0247	\$0.0269	\$0.0340
Next 14,500 Therms	\$0.0238	\$0.0238	\$0.0238	\$0.0238	\$0.0238
Next 35,000 Therms	\$0.0238	\$0.0238	\$0.0238	\$0.0238	\$0.0238
Over 50,000 Therms	\$0.0089	\$0.0238	\$0.0238	\$0.0238	\$0.0238

For Champlain Area:

	Effective Date				
	10/01/04	10/01/05	10/01/06	10/01/07	10/01/08
Discount Rate (per Therm)					
Next 222 Therms	\$0.0238	\$0.0247	\$0.0247	\$0.0269	\$0.0340
Next 275 Therms	\$0.0238	\$0.0247	\$0.0247	\$0.0269	\$0.0340
Next 14,500 Therms	\$0.0238	\$0.0238	\$0.0238	\$0.0238	\$0.0238
Next 35,000 Therms	\$0.0238	\$0.0238	\$0.0238	\$0.0238	\$0.0238
Over 50,000 Therms	\$0.0089	\$0.0238	\$0.0238	\$0.0238	\$0.0238

Issued in compliance order in Case 01-G-1668 dated September 23, 2003

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