

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 10/01/04

Leaf No. 71
Revision: 5
Superseding Revision: 4

SERVICE CLASSIFICATION NO. 5 (CONT'D)

SMALL FIRM TRANSPORTATION SERVICE (CONT'D)

SPECIAL PROVISIONS: (CONT'D)

- C. Firm Transportation Service will be provided on a "first call" basis for the available capacity in the Company's distribution system. If other applicants desire Firm Transportation Service and there is only available capacity for the "first" applicant, the "first" applicant can reserve the required available capacity for a period of three (3) months. If deliveries are not commenced within the three-month period, the available capacity will be released for the use of the other applicants.
- D. A Transportation Service Agreement shall be signed by both parties in the form set forth in General Information Section 13 of this Schedule.
- E. If a customer elects an Agreement without reservation of the "Sales Customer" status or Standby Sales Service, the Company is under no obligation to deliver gas to the Customer on any day in excess of the quantity of Customer-owned gas received by the Company on that day. Any such deliveries in excess of receipts by the Company of Customer-owned gas are subject to unauthorized overrun penalties or interruption in accordance with General Information Sections 10 and 8 of this Schedule, respectively.
- F. Customers electing service under this service classification are subject to the Upstream Capacity Requirements set forth in General Information Section 4.P. of this Schedule.
- G. Economic Development Incentive (EDI):

Customers who qualify, under the Economic Development Incentive (EDI) in Section 33 of the General Information section of this Schedule, to receive an incentive for usage qualified on or after 10/01/04 will have their service bills reduced for a term of sixty (60) months. The reduction will be in the form of a percentage discount, as stated below, reducing the rate for such qualified Therms in excess of the base amount established for each monthly billing period (as described in General Information Section 33 of this Schedule).

EDI Percentage Discounts, by year of participation, for all Areas, after qualification:

Years	Percent of Discount
1	50%
2	40%
3	30%
4	20%
5	10%

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