Received: 09/30/2004

Status: CANCELLED Effective Date: 10/01/2004

PSC No: 88 - Gas Leaf No. 106
NEW YORK STATE ELECTRIC & GAS CORPORATION Revision: 6
Initial Effective Date: 10/01/04 Superseding Revision: 5

SERVICE CLASSIFICATION NO. 14 (CONT'D)

NON-RESIDENTIAL FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

SPECIAL PROVISIONS: (CONT'D)

- D. 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.
- E. Customers electing service under this service classification are subject to the Upstream Capacity Requirements set forth in General Information Section 5.I. of this Schedule.
- F. 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 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 33 of this Schedule).

EDI Incentive Rates for all Areas except Champlain Area:

	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	

EDI Incentive Rates 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