

PSC NO: 88 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 2/19/04

Leaf: 7.3
Revision: 4
Superseding Revision: 3

GENERAL INFORMATION

1. DEFINITIONS: (CONT'D)

Maximum Daily Gas Index shall mean the average of the maximum daily prices from the Daily Price Survey from Gas Daily for the following areas: Tennessee and Texas Gas (Entire Z 1) from the East Texas - North Louisiana area; Columbia, Tennessee (500 leg), Tennessee (800 leg), and Texas Gas SL from the Louisiana - Onshore South area. To the extent that any publication or delivery area is no longer available, the Company will, as a substitute, use equivalent prices from a standardly recognized gas industry publication.

Maximum Daily Pooling Quantity (MDPO) shall mean the sum of the applicable winter or summer Maximum Daily Transportation Quantities of all the Customers in a Pool.

Maximum Daily Reservation Quantity (MDRO) shall mean the maximum daily quantity of firm sales that the Company is obligated to provide the Customer.

Maximum Daily Transportation Quantity (MDTO) shall mean the maximum quantity of gas that the Company is contractually required to deliver to the Customer on a Design Day.

Minimum Daily Gas Index shall mean the average of the minimum daily prices from the Daily Price Survey from Gas Daily for the following areas: Tennessee and Texas Gas (Entire Z 1) from the East Texas - North Louisiana area; Columbia, Tennessee (500 leg), Tennessee (800 leg), and Texas Gas SL from the Louisiana - Onshore South area. To the extent that any publication or delivery area is no longer available, the Company will, as a substitute, use equivalent prices from a standardly recognized gas industry publication.

Month shall mean a period beginning at 9:00 AM Central Clock Time on the first Day of the calendar Month and ending at 9:00 AM Central Clock Time on the first Day of the following calendar Month.

Monthly Balancing Pool shall mean a Pool comprised of daily metered transportation Customers who have chosen to balance deliveries to the Company to the consumption of Customer's on a monthly basis.

New York Mercantile Exchange (NYMEX) shall mean the commodity exchange based in New York City where the natural gas futures and options contract and other energy futures are traded, or any successor organization thereto.

Issued in compliance with orders in Case 98-M-1343 dated November 21, 2003 and Cases 99-M-0631 and 03-M-0117 dated December 19, 2003.

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