PSC NO: 88 Gas NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: 2/19/04 Leaf: 7.1 Revision: 6 Superseding Revision: 4

GENERAL INFORMATION

1. DEFINITIONS: (CONT'D)

<u>Direct Customer</u> shall mean a daily-metered Customer, with an annual natural gas consumption in excess of 3,500 Dth, that acts on its own behalf in arranging to bring natural gas to the Company's Citygate. Direct Customers do not have to file an application with the PSC to become eligible as a Marketer, but must comply with the requirements established by the Company. A Direct Customer that aggregates and schedules load for itself and other Direct Customers shall be deemed a Pool Operator if daily metered or an Aggregation Pool Operator if non-daily metered.

<u>Dual-Fuel</u> shall mean the capability of a commercial or industrial Customer to use a fuel other than natural gas (i.e. coal, fuel oil, propane, etc.) for meeting all or some of its energy requirements

FERC shall mean the Federal Energy Regulatory Commission, or any successor organization thereto.

<u>Firm Service</u> shall mean the highest quality sales or transmission service offered to Customers under a rate schedule that anticipates no service interruptions.

Force Majeure see Section 6 of this Schedule.

<u>FT</u> shall mean Firm Transportation.

<u>Imbalance</u> shall mean the difference between the quantity of gas delivered to a Customer's facilities and the quantity of gas received by the Company for the Customer over a corresponding period, as adjusted. A positive imbalance occurs when the quantity received exceeds the quantity delivered. A negative imbalance occurs when the quantity received.

<u>Imbalance Trading</u> shall mean the transfer of gas delivered to the Company from one Pool Operator to another Pool Operator.

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.

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