

PSC NO: 88 GAS
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: March 1, 2004

Leaf No. 124
Revision: 0
Superseding Revision:

SERVICE CLASSIFICATION NO. 18

DOMINION CITYGATE SWING CUSTOMER BALANCING SERVICE (CONT'D)

CONDITIONS OF SERVICE (CONT'D):

3. Capacity Requirements (Cont'd)

g) Term of Release

Releases of capacity pursuant to this CSC Balancing Service Classification shall be made in accordance with the DTI FERC tariff.

h) Pipeline and Regulatory Requirements

Aggregation Pool Operators to whom capacity is to be, or has been, released pursuant to this CSC Balancing Service shall cooperate with the Company, meet all applicable requirements of the respective pipelines and governmental entities having jurisdiction over the relevant assets, and make all required payments to the respective pipelines.

4. Amount of Gas to be Delivered

The Aggregation Pool Operator is expected to achieve a balance between its deliveries and the consumption of gas by the Customers within its Aggregation Pool. On a daily basis, the imbalance between the amount of gas nominated and delivered to the Company's citygates on a scheduled basis, and the calculated consumption for the Customers within the Aggregation Pool Operator's Aggregation Pool, multiplied by the factor of adjustment stated in General Information Section 18.F., Allowance For Losses, of this Schedule, must be within the Aggregation Pool Operator's entitlements under its CSC Balancing Service contract with DTI.

5. Calculation and Reporting of Daily Usage

After the close of each gas Day, the Company will calculate an estimated total usage for each Aggregation Pool for that gas Day, based upon the weather that actually occurred during the gas Day. The Aggregation Pool Operator's CSC measurement will be reported to the Aggregation Pool Operator and to DTI by 5:00 PM after the close of each gas day.

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