Received: 05/26/2005 Status: CANCELLED Effective Date: 05/27/2005

PSC NO. 87 Gas NEW YORK STATE ELECTRIC & GAS CORPORATION

Initial Effective Date: 5/27/05 Superseding Revision: 0

SERVICE CLASSIFICATION NO. 11 (CONT'D)

Leaf: 57

Revision: 1

RESIDENTIAL DISTRIBUTED GENERATION FIRM SALES SERVICE (CONT'D)

MINIMUM CHARGE:

For all areas the Minimum Charge is the basic service charge, including the charge for the first 3 Therms or less, per meter.

INCREASE IN PRICES AND CHARGES APPLICABLE WHERE SERVICE IS SUPPLIED:

The prices and charges under this service classification, including the Minimum Charge, will be increased by a surcharge pursuant to General Information Section 3 of this Schedule to reflect the tax rates applicable within the municipality where the Customer takes service.

TERMS OF PAYMENT:

All bills are rendered at the above "unit prices" and that amount is due on bills paid on or before the "past due" date indicated on the bill. A late payment charge at the rate of one and one-half percent (1 1/2%) per month will be billed on all amounts not paid by that date. (Further details can be found in Section 8 of PSC No. 90 Gas, or superseding issues thereof.)

TERMS:

One year, and thereafter until discontinued upon three days' written notice.

SPECIAL PROVISION:

A. Balanced Billing:

Customers may, by signing an application, be billed monthly in accordance with the plan set forth in Section 8.Q. of PSC No. 90 Gas, or superseding issues thereof.

Issued in compliance with Commission order in Case 02-M-0515 dated 8/04/04.

Issued by: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY