PSC No: 87 - Gas

Leaf No. 14

NEW YORK STATE ELECTRIC & GAS CORPORATION

Revision: 8

Initial Effective Date: 01/01/06

Superseding Revision: 7

SERVICE CLASSIFICATION NO. 1 (CONT'D)

<u>RESIDENTIAL SERVICE</u> (CONT'D)

MINIMUM CHARGE:

Through September 30, 2008, the Minimum Charge is the Basic Service Charge including the charge for the first 2 Therms or less, per meter, for the Binghamton Area and the first 3 Therms or less, per meter, for all other areas. Effective October 1, 2008, the Minimum Charge is the Basic Service Charge including the charge for the first 3 Therms or less, per meter, for all areas. The Basic Service Charge will appear on the Customer's bill whether or not any gas was used during the billing period.

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 (1) month and thereafter until terminated by forty-eight (48) hours' written notice.

SPECIAL PROVISION:

A. Budget 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 Order in Case 01-G-1668 dated September 23, 2004

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