

PSC NO. 87 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 01/01/06

Leaf: 57
Revision: 2
Superseding Revision: 1

SERVICE CLASSIFICATION NO. 11 (CONT'D)

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:

The term that a customer may be on this service classification is one (1) year with one-year renewals thereafter. Renewals will only be provided if the customer maintains at least a 50% load factor unless there are mitigating circumstances as determined by the Company. The Company shall review the customer usage annually beginning with the anniversary of the operation of the customer's DG unit and advise the customer if the load factor falls below 50%. The load factor will be calculated using the customer's actual annual usage for the preceding twelve month period and an estimate of customer's peak day usage based on the DG unit and appliances in service. If the load factor falls below 50%, the customer will be removed from this rate for a period of 12 months, after which time they may reapply, provided they have achieved a 50% load factor over the 12-month period while not receiving service pursuant to this service classification.

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

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