..DID: 21041 ..TXT: PSC NO: 87 GAS LEAF: 46 COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 3 INITIAL EFFECTIVE DATE: 12/01/02 SUPERSEDING REVISION: 1 STAMPS: Issued in compliance with Commission order in Case 01-G-1668 dated 11/ RECEIVED: 11/26/02 STATUS: Effective EFFECTIVE: 12/01/02

SERVICE CLASSIFICATION NO. 8 (CONT'D)

FIRM SALES TO LARGE GENERAL SERVICE (CONT'D)

SPECIAL PROVISIONS: (CONT'D)

B. Economic Development "Zone" Incentive (EDZI): (Cont'd)

A customer certified by the Economic Development Zone Administrator will have his monthly service bills reduced by such stated amount per therm for all consumption in excess of a base amount of consumption established for each monthly billing period. For an existing customer, the base amount of consumption will be based on a one (1) year historical period, actual or estimated, as determined by the Company prior to qualification for the EDZI. For a prospective customer, the base amount of consumption will be zero (0). Each month, the excess therms qualifying for the EDZI will be limited to seven hundred thirty (730) hours times the hourly rating of the equipment installed to qualify for the EDZI.

The EDZI prices per therm will be applied to that customer's bill for the duration of the Customer's valid certification. The EDZI price per therm, stated in Special Provision C, will be subject to periodic (but not more than annual) review and possible modification, with PSC approval.

C. Customers who are certified by the Economic Development Zone Administrator, under Special Provision B above, will have their service bills (for qualified use over 100 Therms per month) reduced, for the duration of the Customer's valid certification, by \$0.07 per Therm for use up through 50,000 Therms, per month.