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COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 1

INITIAL EFFECTIVE DATE: 04/01/99 SUPERSEDING REVISION: 0

STAMPS:

Cancelled by 2 Rev. Leaf No. 12.1 Effective 04/01/1999

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GENERAL INFORMATION

4. DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)

M. Billing of Imbalance Charges:

All Pool Operators assume the imbalances of all Customers within their specified Pools. The Pool Operator will be billed all costs associated with imbalances and Imbalance Trading.

N. Billing and Payment:

All bills are rendered at the "unit prices" stated in this Schedule, 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 are in Section 8 of PSC No. 90 Gas, or superseding issues thereof.

O. Alternate Fuel Facilities:

Where service provided hereunder is subject to the Customer maintaining alternate fuel facilities, the Company reserves the right to conduct an on-site inspection of such facilities at any time to determine whether the facilities are properly installed, maintained, functioning and capable of serving the Customer's energy requirements at a level equivalent to the natural gas delivered hereunder, or as specified in the Customer's Transportation Service Agreement.

P. Upstream Capacity Requirements:

A Critical Care Customer or its Designated Agent shall be required to demonstrate on an annual basis, through an affidavit signed by an officer of its company, that it has and will continue to have, non-recallable firm primary point deliverability on an Upstream Pipeline(s) at the Receipt Point(s) designated by the Company. The Upstream Capacity must be capable of fully meeting expected daily and seasonal requirements.

Issued By: George E. Bonner, Vice President - Gas Operations & Marketing, Binghamton, NY (Name of Officer, Title, Address)