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COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 0

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

STAMPS:

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GENERAL INFORMATION

5. NON-DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)

D. Balancing of Receipts and Deliveries: (Cont'd)

(3) Reconciliation of Volumes: (Cont'd)

October/November - The Average Daily Gas Index for the Months of April through October, plus the demand cost of pipeline transportation capacity, fuel and commodity costs, as set forth in each pipeline's applicable FERC tariff, to the citygate, per therm.

April/May - The Average Daily Gas Index for the Months of November through March, plus the demand cost of pipeline transportation capacity, fuel, and commodity costs, as set forth in each applicable pipeline's FERC tariff, to the citygate, per therm.

(b) For overdeliveries, the Company shall pay Customer's Aggregation Pool Operator as follows:

October/November - The Average Daily Gas Index for the Months of April through October, less variable cost of pipeline storage injections, as set forth in each applicable pipeline's FERC tariff, per therm.

April/May - The Average Daily Gas Index, as defined above, for the Months of November through March, less the variable cost of pipeline storage injections as set forth in each applicable pipeline's FERC tariff, per therm.

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