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

INITIAL EFFECTIVE DATE: 05/15/99 SUPERSEDING REVISION:

STAMPS: Issued in compliance with commission order in case 98-G-0122 dated 3/1

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SERVICE CLASSIFICATION NO. 15 (CONT'D)

BASIC ELECTRIC GENERATION TRANSPORTATION SERVICE

PRICE: (CONT'D)

C. A Spark Spread Adjustment (SSA), which shall initially be set at zero (0), but which shall then be calculated on a quarterly basis to reflect 5% of the market "spark spread" between the cost of gas and the cost of electricity, per therm. For each customer, the calculation of the SSA shall be calculated in the following manner:

SSA = [(Wholesale Electric Price) – (Fuel Cost of Generation)] X 0.05

Where: a) The Wholesale Electric Price will be the average of the wholesale electric price indices for the period, for the applicable region, as published in a standardly recognized electric industry publication; and b) the Fuel Cost of Generation shall be the spot cost of gas delivered to the Company's city gate for the applicable rate area and period multiplied by the Btu/kWh heat rate for the Customer.

MINIMUM ANNUAL QUANTITY:

Customer will be required to transport and pay for, under this service classification, a minimum annual quantity of no less than fifty percent (50%) of the generator's maximum annual quantity, as specified in the Transportation Service Agreement.

INCREASES 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:

Billing and payment for service provided under this service classification shall be in accordance with General Information Section 4.N. of this Schedule.

Issued By: George E. Bonner, Vice President - Gas Operations & Marketing, Binghamton, NY

Issued in compliance with commission order in case (Name of Officer, Title Address) Cancelled by 1 Rev. Leaf No. 109 Effective 10/01/2000