

..DID: 1223
 ..TXT: PSC NO: 89 GAS LEAF: 92
 COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 0
 INITIAL EFFECTIVE DATE: 11/07/97 SUPERSEDING REVISION:
 STAMPS:
 CANCELLED by Supplement 1 effective 01/01/00
 RECEIVED: 08/20/97 STATUS: Cancelled EFFECTIVE: 11/07/97

SERVICE CLASSIFICATION NO. 2

INDUSTRIAL MANUFACTURING OR PROCESSING PURPOSES

APPLICABLE TO USE OF SERVICE FOR:

All purposes by customers whose principal use of gas is for industrial manufacturing or processing purposes or for drilling and operating oil or gas wells.

CHARACTER OF SERVICE:

Curtaillable - natural gas of not less than 1,000 Btu per cubic foot or in the case of emergency or when it is to the economic benefit of customers, liquefied petroleum gas or a mixture of natural gas and liquefied petroleum gas, supplied at a pressure within the limits specified by PSC Order of June 25, 1957 (Case 15686).

PRICE (Per Month, Per Meter):

		<u>Net</u>	
First	50 Therms or Less	\$39.25	
Next	450 Therms, per Therm		.5276
Next	19,500 Therms, per Therm	.4772	
All Over	20,000 Therms, per Therm		.3801

Customers will be able to select from either the Fixed Price Option or Index Price Option as described below:

Index Price Option - Under this option, prices will be adjusted monthly for average changes in published commodity price indices when such changes from the base index of \$0.148 per therm of gas occur. The Index Price adjustment shall be filed one (1) business day following the publish date of the indices, and shall be effective two (2) business days following the filing date. Any customer who does not select a Fixed Price Option will be automatically included in the Index Price Option.

Fixed Price Option - Under this option, sales prices will be fixed at a price related to the duration of the term. The term related price will be based on the difference between the New York Mercantile Exchange Futures closing price on the fifteenth (15th) business day of the month prior to the effective date and the NYMEX base of \$0.155 per therm. Customer elections of this option must be made no later than 12:00 PM on the fifteenth (15th) business day of the month prior to the effective date. The Fixed Price adjustments shall be effective on the first calendar day of each month, and shall be filed three (3) business days prior to the effective date.

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