..DID: 401 ..TXT: PSC NO: 87 GAS LEAF: 39 COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 0 INITIAL EFFECTIVE DATE: 03/07/97 SUPERSEDING REVISION: STAMPS: Cancelled by 1 Rev. Leaf No. 39 Effective 12/10/1998 RECEIVED: 12/18/96 STATUS: Cancelled EFFECTIVE: 03/07/97

SERVICE CLASSIFICATION NO. 6 (CONT'D)

STANDBY SALES SERVICE (CONT'D)

SPECIAL PROVISIONS:

- A. Sales under this service classification are firm up to the Customer's MDSQ. Service provided hereunder in excess of the Customer's MDSQ is interruptible, and the Company may, at its sole discretion, require interruption or reduction in the rate of such gas consumption in accordance with General Information Section 8 of PSC No. 88 Gas, or superseding issues thereof.
- B. Customer agrees: (1) if the Customer fails to reduce or interrupt service as ordered by the Company, the Company may disconnect service and cancel the Standby Sales Service; (2) during such periods of requested interruption, all gas taken in excess of the amount the Customer is permitted to take shall be billed at the stated price(s) in effect at that time, plus a penalty price per Dth equal to twelve (12) times the highest demand price or reservation charge in effect for gas, transportation or storage purchased by the Company from its supplier(s); and (3) in addition to the penalty price, the Customer will be responsible for all claims made against the Company and for all other costs associated with the loss of the integrity of the Company's production or distribution systems as a result of the Customer's failure to discontinue service as ordered by the Company.
- C. Provided the Company has, in its sole judgement, sufficient capacity, the Customer may, in lieu of the penalty price described in Special Provision B.(2) above, increase its MDSQ by the quantity of gas subject to the penalty price for twelve (12) consecutive months.