Effective Date: 07/01/2016

PSC No: 88 - Gas NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: 07/01/16 Issued in compliance with Order in Case 15-G-0284, dated June 15, 2016 Leaf No. 106.1 Revision: 3 Superseding Revision: 2

SERVICE CLASSIFICATION NO. 14 (CONT'D)

NON-RESIDENTIAL FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

SPECIAL PROVISIONS: (CONT'D)

G. Economic Development Zone Incentive (EDZI)

Customers who qualify, under the Economic Development Zone Incentive (EDZI) in Section 34 of the General Information section of this Schedule, to receive an incentive for usage qualified on or after 10/01/04 will have their service bills reduced for a term of ten (10) years following initial zone certification, beginning with the eligibility date on the zone certificate (unless the customer's initial zone certification becomes invalid), notwithstanding the expiration of the designation of an Economic Development Zone in the area where the customer is located. The reduction will be based on the following discount rates by Area for such qualified Therms in excess of the base amount established for each monthly billing period (as described in General Information Section 34 of this Schedule).

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York