

PSC NO. 87 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 : 57

Revision: 5

Superseding Revision: 3

SERVICE CLASSIFICATION NO. 11 (CONT'D)**RESIDENTIAL DISTRIBUTED GENERATION FIRM SALES SERVICE (CONT'D)****MINIMUM CHARGE:**

For all areas the Minimum Charge is the basic service charge, including the charge for the first three Therms or less, per meter.

INCREASE IN PRICES AND CHARGES APPLICABLE WHERE SERVICE IS SUPPLIED:

The prices and charges under this service classification, including the Minimum Charge, shall be increased by a surcharge pursuant to General Information Rule 3 of this Schedule to reflect the tax rates applicable within the municipality where the Customer takes service.

RATE ADJUSTMENT MECHANISM ("RAM"):

The RAM shall be applied per therm to all therms delivered under this Service Classification (as explained in this Schedule, General Information Section 9). See RAM Statement.

TERMS OF PAYMENT:

All bills are rendered at the above "unit prices" and that amount is due on bills paid on or before the "past due" date indicated on the bill. A late payment charge at the rate of 1½% per month shall be billed on all amounts not paid by that date. (Further details can be found in Section 8 of P.S.C. No. 90 Gas, or superseding issues thereof.)

TERMS:

The term that a customer may be on this service classification is one year with one-year renewals thereafter. Renewals shall only be provided if the customer maintains at least a 50% load factor unless there are mitigating circumstances as determined by the Company. The Company shall review the customer usage annually beginning with the anniversary of the operation of the customer's DG unit and advise the customer if the load factor falls below 50%. The load factor shall be calculated using the customer's actual annual usage for the preceding 12 month period and an estimate of customer's peak day usage based on the DG unit and appliances in service. If the load factor falls below 50%, the customer shall be removed from this rate for a period of 12 months, after which time they may reapply, provided they have achieved a 50% load factor over the 12-month period while not receiving service pursuant to this service classification.

SPECIAL PROVISION:**A. Budget Billing:**

Customers may, by signing an application, be billed monthly in accordance with the plan set forth in Section 8.Q. of P.S.C No. 90 Gas, or superseding issues thereof.

Issued by: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY