Received: 06/29/2016 Status: CANCELLED

Effective Date: 07/01/2016

PSC No: 87 - Gas Leaf No. 50
New York State Electric & Gas Corporation Revision: 5
Initial Effective Date: 07/01/16 Superseding Revision: 4

Issued in compliance with Order in Case 15-G-0284, dated June 15, 2016

SERVICE CLASSIFICATION NO. 9 (CONT'D)

INDUSTRIAL MANUFACTURING OR PROCESSING PURPOSES (CONT'D)

SPECIAL PROVISIONS: (CONT'D)

B. ECONOMIC DEVELOPMENT ZONE INCENTIVE (EDZI)

Customers who qualify, under the Economic Development Zone Incentive (EDZI) in Section 7 of the General Information section of this Schedule, to receive an incentive for usage qualified on or after 10/01/04 shall have their service bills reduced for a term of 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 shall be based on the following discount rates for such qualified Therms in excess of the base amount established for each monthly billing period (as described in General Information Section 7 of this Schedule):

EDZI Incentive Rates for Binghamton Area:

| Effective Date | 09/01/12 |
|---------------------------|----------|
| Discount Rate (per Therm) | |
| Next 450 Therms | 0.0000 |
| Next 14,500 Therms | 0.0475 |
| Next 5,000 Therms | 0.0475 |
| Over 20,000 Therms | 0.0475 |

As provided in General Information Section 7 of this Schedule, new service under this provision shall no longer be available to customers on or after September 26, 2010. Customers shall pay a monthly service bill at the rates and charges under the standard service classification rate.

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