

PSC No: 87 - Gas
 NEW YORK STATE ELECTRIC & GAS CORPORATION
 Initial Effective Date: 9/1/2011
 Issued in compliance with Order in Case 09-G-0716 dated 9/21/2010

Leaf No. 12
 Revision: 14
 Superseding Revision: 13

SERVICE CLASSIFICATION NO. 1

RESIDENTIAL SERVICE

APPLICABLE TO THE USE OF SERVICE FOR:

Residential Service in individual private dwellings, including two-family dwellings where the customer is a resident, flats or apartments, and separately metered non-space/water heating equipment in common areas used by tenants of individually metered multi-family residences of ten (10) units or less. Also for all gas utilized exclusively in connection with religious purposes by any corporation, association or school organized and conducted in good faith for religious purposes; or any post or hall owned or leased by a not-for-profit corporation that is a veterans' organization. Applicable also to use exclusively in connection with a community residence for the mentally disabled, as defined in Subdivision 28, 28-a, or 28-b of Section 1.03 of the Mental Hygiene Law, provided that such residence is operated by a not-for-profit corporation and, if supervisory staff is on site twenty-four (24) hours a day, that the residence provides living accommodations for fourteen (14) or fewer residents.

CHARACTER OF SERVICE:

Continuous - natural gas or a mixture of natural gas and synthetic natural gas with a Btu content of not less than 975 Btu per cubic foot for the Lockport Area, not less than 950 Btu per cubic foot for the Champlain Area, and not less than 1,000 Btu per cubic foot for all other areas. Normal pressure 7" but not less than 4" water column. At the option of the Company, gas will be supplied at high pressure, where such service is available.

PRICE: (Per Month)

The Company's unbundled charges are:

(1) Gas Delivery Charges:

A. Delivery Rates:

| For All Areas | Effective Date | | |
|--------------------------------------|----------------|----------|----------|
| | 09/26/10 | 09/01/11 | 09/01/12 |
| Basic Service Charge | | | |
| First 3 Therms or less (Non-Heating) | \$12.30 | \$12.30 | \$12.30 |
| First 3 Therms or less (Heating) | \$16.30 | \$16.30 | \$16.30 |
| Usage Charge (per Therm) | | | |
| Next 47 Therms | \$0.4066 | \$0.4462 | \$0.5193 |
| Over 50 Therms | \$0.1220 | \$0.1220 | \$0.1220 |

Bill Issuance Charge (per bill): \$0.73, as described in PSC No. 88, General Information Section 32.

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