PSC No: 88 - Gas NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: 09/26/10 Issued in compliance with Order in Case 09-G-0716 dated 09/21/10 Leaf No. 53 Revision: 14 Superseding Revision: 11

SERVICE CLASSIFICATION NO. 1 (CONT'D)

FIRM TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

If the provision of transportation service to the Customer requires the Company to engage the services of others, an amount reflecting the costs incurred by the Company will be added to the prices reflected in Sections A. and B. of this service classification.

C. Demand Cost of Gas Adjustment:

The charges for those customers who reserve their "sales customer" status, set forth in Section B, shall be subject to a Demand Cost of Gas Adjustment per Therm of gas supplied hereunder, when the Company's average demand cost of reserving "sales customer" status differs from the base demand cost of \$0.1111 per Therm.

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