

PSC No: 88 GAS
New York State Electric and Gas Corporation
Initial Effective Date: 02/26/08

Leaf No: 17
Revision No: 3
Superseding Revision: 2

GENERAL INFORMATION

8. INTERRUPTION AND CURTAILMENT:

The Company may, at its sole discretion, interrupt or curtail deliveries hereunder on two (2) hours' notice. Notice may be given by telephone.

During major upstream events such as pipeline rupture or wide-spread well freeze-offs, which result in insufficient gas supply delivered to the Company's city-gate(s), interruptions and curtailments shall apply to non-core customers first, and then to core customers, regardless of which customers' supply delivered to the Company's city-gate is not sufficient to meet their demand.

A. Discontinuance or Curtailment of Gas Service

(1) Company's Right to Curtail or Limit Service

The Company shall only implement a curtailment as a last resort. Economic considerations shall not be the basis for a curtailment. Mutual aid, contractual and other non-curtailment supply management tools, Operational Flow Orders, interruption of contractually-interruptible load, and supply acquisition shall be utilized before a curtailment is declared.

In the event the Company reasonably foresees an inability to meet the firm daily requirements of core sales or transportation customers, the Company shall have the right to curtail or limit any customer's use of gas. Curtailments shall be limited in scope and duration as necessary to alleviate an emergency. To the extent possible, curtailments will be localized.

In the event of a loss of supply due to force majeure circumstances including but not limited to major physical upstream failures beyond the control of the Company or the ESCOs (e.g. pipeline ruptures, widespread well freeze-offs, etc.), the Company will endeavor to implement all curtailment plans in a non-discriminatory manner, without regard to which ESCO (or the Company) provides gas service to those customers which may be curtailed. The Company shall not incur any liability for any cost, expense, loss or injury which may be sustained by reason of such curtailment or limitation.

(2) Curtailment Notification Process

The Company will notify the Director of the Office of Electric, Gas and Water of the New York State Department of Public Service when a curtailment is declared and when the situation returns to normal. Notification will be provided to the Energy Service Companies (ESCOs) and curtailed customers periodically during the curtailment period.

Issued in compliance with order in Case 06-G-0059 dated August 23, 2007

Issued By: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York