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PSC NO. 87 Gas NEW YORK STATE ELECTRIC & GAS CORPORATION

Initial Effective Date: 04/01/08 Superseding Revision: 3

Leaf: 53

Revision: 6

SERVICE CLASSIFICATION NO. 10 (CONT'D)

NON-RESIDENTIAL DISTRIBUTED GENERATION FIRM SALES SERVICE (CONT'D)

PRICE (per month): (CONT'D)

(1) Gas Delivery Charges: (Cont'd)

C. <u>Transition Surcharge (TS)</u>:

Customers in all areas will also be charged the applicable Transition Surcharge (TS) pursuant to General Information Section 16 of PSC No. 90 Gas, or superseding issues thereof, for all Therm use.

(2) Gas Supply Charges:

A. Gas Supply Charge (GSC):

Customers in all areas will also be charged the applicable Gas Supply Charge (GSC) pursuant to General Information Section 14 of PSC No. 90 Gas, or superseding issues thereof, for all Therm use.

B. Merchant Function Charge (MFC):

Customers in all areas will also be charged the applicable Merchant Function Charge (MFC) pursuant to General Information Section 14 of PSC No. 90 Gas, or superseding issues thereof, for all Therm use.

MINIMUM CHARGE (per month):

For all areas, the Minimum Charge is the Basic Service Charge, per meter. Additionally, for a large DG customer, the Minimum Charge will also include the Demand Charge per therm of Maximum Daily Demand Quantity (MDQ), excluding the portion included in the Basic Service Charge. The MDQ will be determined in the same manner as the Maximum Daily Transportation Quantity (MDTQ) for a transportation customer taking service pursuant to PSC No. 88 Gas. The Minimum Charge will appear on the Customer's bill whether or not any gas was used during the billing period.

Issued in compliance with Order in Case 06-G-1386 dated December 22, 2006

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