Received: 10/01/2007

Status: CANCELLED Effective Date: 11/01/2007

PSC No: 88 - Gas Leaf No. 69.1 NEW YORK STATE ELECTRIC & GAS CORPORATION Revision: 8 Initial Effective Date: 11/01/07 Superseding Revision: 5

SERVICE CLASSIFICATION NO. 5 (CONT'D)

$\underline{SMALL\ FIRM\ TRANSPORTATION\ SERVICE}\ \ (CONT'D)$

PRICE: (Per Month) (CONT'D)

B. For Customers Who Are Not Mandatory Capacity Release Customers and Do Wish to Reserve Their "Sales Customer" Status: (Cont'd)

Combined Area	Effective Date				
	10/01/04	10/01/05	10/01/06	10/01/07	10/01/08
Transportation Administration Charge					
First 3 Therms or less	\$200.33	\$200.33	\$200.33	\$200.33	\$255.55
Usage Charge (per Therm)					
Next 497 Therms	\$0.2169	\$0.1905	\$0.1640	\$0.1376	\$0.0000
Next 14,500 Therms	\$0.2455	\$0.2476	\$0.2498	\$0.2519	\$0.2540
Over 15,000 Therms	\$0.2055	\$0.2119	\$0.2183	\$0.2247	\$0.2311

Binghamton Area	Effective Date				
	10/01/04	10/01/05	10/01/06	10/01/07	10/01/08
Transportation Administration Charge					
First 3 Therms or less	\$201.13	\$200.93	\$200.73	\$200.53	\$255.55
Usage Charge (per Therm)					
Next 497 Therms	\$0.3035	\$0.2554	\$0.2073	\$0.1592	\$0.0000
Next 14,500 Therms	\$0.3321	\$0.3126	\$0.2930	\$0.2735	\$0.2540
Over 15,000 Therms	\$0.2605	\$0.2532	\$0.2458	\$0.2385	\$0.2311

Champlain Area	Effective Date				
	10/01/04	10/01/05	10/01/06	10/01/07	10/01/08
Transportation Administration Charge					
First 500 Therms or less	\$255.55	\$255.55	\$255.55	\$255.55	\$255.55
Usage Charge (per Therm)					
Next 14,500 Therms	\$0.2540	\$0.2540	\$0.2540	\$0.2540	\$0.2540
Over 15,000 Therms	\$0.2311	\$0.2311	\$0.2311	\$0.2311	\$0.2311

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 customers who wish to 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.

D. Research and Development (R&D) Adjustment:

The charges set forth herein will be subject to a R&D Adjustment per Therm of gas delivered as explained in Section 18 of PSC No. 90 Gas, or superseding issues thereof.

Issued in Compliance with Order in Case 07-G-0299 dated August 30, 2007

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