Received: 09/30/2004

Status: CANCELLED Effective Date: 10/01/2004

PSC No: 87 - Gas Leaf No. 15.1

NEW YORK STATE ELECTRIC & GAS CORPORATION Revision: 0

Initial Effective Date: 10/01/04 Superseding Revision:

SERVICE CLASSIFICATION NO. 2 (CONT'D)

GENERAL SERVICE (CONT'D)

PRICE: (Per Month) (Cont'd)

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

A. <u>Delivery Rates</u>: (Cont'd)

Lockport Area	Effective Date				
	10/01/04	10/01/05	10/01/06	10/01/07	10/01/08
Basic Service Charge					
First 3 Therms or less	\$17.60	\$18.20	\$18.80	\$19.40	\$20.00
Usage Charge (per Therm)					
Next 497 Therms	\$0.3274	\$0.3181	\$0.3087	\$0.2994	\$0.2900
Next 14,500 Therms	\$0.1745	\$0.1727	\$0.1708	\$0.1690	\$0.1672
Next 35,000 Therms	\$0.0871	\$0.0952	\$0.1034	\$0.1115	\$0.1197
Over 50,000 Therms	\$0.0356	\$0.0566	\$0.0777	\$0.0987	\$0.1197

Elmira Area	Effective Date				
	10/01/04	10/01/05	10/01/06	10/01/07	10/01/08
Basic Service Charge					
First 3 Therms or less	\$17.60	\$18.20	\$18.80	\$19.40	\$20.00
Usage Charge (per Therm)					
Next 497 Therms	\$0.3174	\$0.3106	\$0.3037	\$0.2969	\$0.2900
Next 14,500 Therms	\$0.1726	\$0.1712	\$0.1699	\$0.1685	\$0.1672
Next 35,000 Therms	\$0.1134	\$0.1150	\$0.1165	\$0.1181	\$0.1197
Over 50,000 Therms	\$0.0358	\$0.0568	\$0.0777	\$0.0987	\$0.1197

Combined Area	Effective Date				
	10/01/04	10/01/05	10/01/06	10/01/07	10/01/08
Basic Service Charge					
First 3 Therms or less	\$17.60	\$18.20	\$18.80	\$19.40	\$20.00
Usage Charge (per Therm)					
Next 497 Therms	\$0.3410	\$0.3283	\$0.3155	\$0.3028	\$0.2900
Next 14,500 Therms	\$0.1894	\$0.1839	\$0.1783	\$0.1728	\$0.1672
Next 35,000 Therms	\$0.1265	\$0.1248	\$0.1231	\$0.1214	\$0.1197
Over 50,000 Therms	\$0.0354	\$0.0565	\$0.0775	\$0.0986	\$0.1197

Issued in compliance with Order in Case 01-G-1668 dated September 23, 2004

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