

PSC No: 87 - Gas
 NEW YORK STATE ELECTRIC & GAS CORPORATION
 Initial Effective Date: 10/01/04

Leaf No. 20
 Revision: 2
 Superseding Revision: 1

SERVICE CLASSIFICATION NO. 2 (CONT'D)

GENERAL SERVICE (CONT'D)

SPECIAL PROVISIONS: (CONT'D)

C. Economic Development "Zone" Incentive (EDZI): (Cont'd)
 For Champlain Area:

	Effective Date				
	10/01/04	10/01/05	10/01/06	10/01/07	10/01/08
Discount Rate (per Therm)					
Next 222 Therms	\$0.0475	\$0.0493	\$0.0493	\$0.0539	\$0.0679
Next 275 Therms	\$0.0475	\$0.0493	\$0.0493	\$0.0539	\$0.0679
Next 14,500 Therms	\$0.0475	\$0.0475	\$0.0475	\$0.0475	\$0.0475
Next 35,000 Therms	\$0.0475	\$0.0475	\$0.0475	\$0.0475	\$0.0475
Over 50,000 Therms	\$0.0177	\$0.0475	\$0.0475	\$0.0475	\$0.0475

D. Reserved for Future Use

Issued in compliance order in Case 01-G-1668 dated September 23, 2003

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