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PSC No: 88 - Gas Leaf No. 98.1 NEW YORK STATE ELECTRIC & GAS CORPORATION Revision: 4 Superseding Revision: 3 Initial Effective Date: 10/01/04

SERVICE CLASSIFICATION NO. 13 (CONT'D)

RESIDENTIAL FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

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 \$.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.

E. Transition Surcharge (TS):

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.

(1) Bill Mitigation Plan:

The TS will reflect the bill mitigation plan credits/charges pursuant to General Information Section 15 of PSC No. 90 Gas, or superseding issues thereof.

F. Weather Normalization Adjustment (WNA):

Customers in all areas will also be charged the applicable Weather Normalization Adjustment (WNA) pursuant to General Information Section 17 of PSC No. 90 Gas, or superseding issues thereof, for all Therm use.

MINIMUM CHARGE:

Shall be the Transportation Administration Charge, per meter.

INCREASES IN PRICES AND CHARGES APPLICABLE WHERE SERVICE IS SUPPLIED:

The prices and charges under this service classification, including the Minimum Charge, will be increased by a surcharge pursuant to General Information Section 3 of this Schedule to reflect the tax rates applicable within the municipality where the Customer takes service.

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