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PSC NO: 87 GAS NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: April 15, 2004

SERVICE CLASSIFICATION NO. 6

STANDBY SALES SERVICE

APPLICABLE TO THE USE OF SERVICE FOR:

Standby Gas Sales Service is available to customers who have executed a Transportation Service Agreement pursuant to PSC No. 88 Gas, or superseding issues thereof, provided the capacity of the Company's facilities and the available gas supply are sufficient to provide the quantities requested by the Customer without jeopardizing the Company's ability to meet the expected demand of its firm customers.

CHARACTER OF SERVICE:

Continuous, up to the Customer's Maximum Daily Standby Quantity (MDSQ), natural gas or a mixture of natural and other gas with a Btu content of not less than 975 Btu per cubic foot for the Lockport Area, not less than 950 Btu per cubic foot for the Champlain Area, and not less than 1,000 Btu per cubic foot for all other areas. Sales hereunder shall be delivered to the Customer's facilities pursuant to the Customer's applicable transportation service classification.

DEFINITIONS:

For the purposes of this service classification the following terms and meanings apply:

- A. <u>Maximum Daily Standby Quantity (MDSQ)</u> is the daily quantity of gas the Company is contractually obligated to supply the Customer on any day.
- B. <u>Monthly Standby Quantity (MSQ)</u> is the quantity of gas registered at the Customer's meter, adjusted for Btu content, less the quantity of gas delivered under the Customer's otherwise applicable service classification(s) during the corresponding month.

PRICE:

- A. <u>Standby Demand Charge</u>, equal to the Company's weighted average demand cost of gas per therm for the current month.
- B. <u>Standby Commodity Charge</u>, based on the applicable daily price index published in Gas Daily (or successors), per therm, per day for the current month, as further described below:

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