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PSC No: 88 - Gas

New York State Electric and Gas Corporation

Revision: 5

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GENERAL INFORMATION

4. DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)

F. Balancing Receipts and Deliveries - General:

Each daily metered transportation customer will be daily balanced and will be included in a Pool. A customer choosing to manage supplies on its own behalf shall be its own Pool. The Customer's Pool Operator will be subject to a Daily Balancing Demand Charge, as further described in Service Classification No. 17, and a Daily and Monthly Cash-out as described in General Information Sections 4.G. and H. of this Schedule.

Pool Operators will act on behalf of pooled Customers for balancing receipts and deliveries on the Company's distribution system. An individual Customer acting on its own behalf shall be deemed a Pool Operator. Pool Operators shall be responsible for providing nominations and scheduling in accordance with General Information Section 4.C. of this Schedule. Pool Operators shall also be responsible for all Imbalance charges (i.e. cash-outs, fees, penalties, etc.).

Pool Operators are required to execute a Gas Pooling Agreement as set forth in the Gas Transportation Operating Procedures Manual. Individual customers acting as a Pool Operator on their own behalf will not be required to execute a Gas Pooling Agreement.

The make up of each Pool and Pooling Area shall be subject to the operational limitations of the Company's system.

Individual Customers may switch from one Pool Operator to another Pool Operator in the specified Pooling Area at the conclusion of any month during the term of their Transportation Service Agreement. The Company must be notified in writing four (4) business days prior to the start of each month of all such Pool Operator changes.

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

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