..DID: 2574 ..TXT: PSC NO: 88 GAS LEAF: 54 COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 1 INITIAL EFFECTIVE DATE: 04/13/98 SUPERSEDING REVISION: 0 STAMPS: Cancelled by 2 Rev. Leaf No. 54 Effective 04/01/1999 RECEIVED: 03/03/98 STATUS: Cancelled EFFECTIVE: 04/13/98

SERVICE CLASSIFICATION NO. 1 (CONT'D)

FIRM TRANSPORTATION SERVICE (CONT'D)

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.

TERMS OF PAYMENT:

Billing and payment for service provided under this service classification shall be in accordance with General Information Section 5.F. of this Schedule.

TERM:

Term shall be defined within the Transportation Service Agreement and mutually agreed upon by the Customer and the Company.

GENERAL TERMS AND CONDITIONS OF SERVICE:

To the extent not inconsistent with the provisions of this service classification, service hereunder is provided in accordance with the General Information Sections of this Schedule.

SPECIAL PROVISIONS:

- A. The quantity to be billed under this service classification is the quantity delivered to the Company less the allowance for losses in accordance with General Information Section 5.E. of this Schedule.
- B. Daily imbalances, underruns and overruns under this service classification will be calculated and reconciled as set forth in General Information Section 4 of this Schedule.
- C. Firm Transportation Service will be provided on a "first call" basis for the available capacity in the Company's distribution system. If other applicants desire Firm Transportation Service and there is only available capacity for the "first" applicant, the "first" applicant can reserve the required available capacity for a period of three (3) months. If deliveries are not commenced within the three-month period, the available capacity will be released for the use of the other applicants.