

..DID: 1181
..TXT: PSC NO: 88 GAS LEAF: 16.2
COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 11/01/97 SUPERSEDING REVISION:
STAMPS:
Cancelled by 1 Rev. Leaf No. 16.2 Effective 01/01/1998
Effective date postponed to 01/01/98. See Supplement No. 3, 2
RECEIVED: 08/14/97 STATUS: Cancelled EFFECTIVE: 01/01/98

GENERAL INFORMATION

5. CONDITIONS OF GAS SERVICE: (CONT'D)

I. Managed Storage Service (Cont'd)

Binghamton District and Owego District:

Customers shall take Managed Storage Service combined with upstream pipeline transportation to meet the customer's demand on a day experiencing 64 Heating Degree Days. Such Managed Storage Service quantity shall be determined solely at the discretion of the Company. Customer's needs beyond 64 Heating Degree Days will continue to be met using distribution system assets.

Goshen District:

Managed Storage Service is not available in this district.

Champlain District:

Managed Storage Service is not available in this district.

The quantity of Managed Storage Service for each customer shall be reviewed at the Company's sole discretion at the end of each storage year and/or on the Customer's anniversary date.

Customers receiving Managed Storage Service who subsequently return to sales service or elect either daily metered aggregated transportation service or non-aggregated transportation service shall be required to have their agents sell back to the Company any existing stored gas inventories for such customers at such time, as determined solely by the Company. The Company shall purchase said inventories at the lower of the Company's existing weighted average cost of storage gas or the weighted average minimum daily gas index prices plus variable fuel and transportation from the most recent April 1 to the day the Customer terminates aggregated transportation service.

Customer agents whose customers take Managed Storage Service shall be required to purchase a proportionate share of gas in storage at the commencement of any of their customers' Managed Storage Service terms as determined solely by the Company. Such quantity will be priced at the higher of the Company's weighted average cost of storage gas for that service area or the weighted average of the maximum daily gas index prices plus fuel and transportation from the most recent April 1 to the day the customer commences aggregated transportation service.

Issued By: George E. Bonner, Vice President - Gas Operations & Marketing, Binghamton, NY
(Name of Officer, Title, Address)