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COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 2

INITIAL EFFECTIVE DATE: 05/23/97 SUPERSEDING REVISION: 1

STAMPS: Issued in Compliance with PSC Order in Case 97-G-0758 dated 05/20/97.

Cancelled by 3 Rev. Leaf No. 24 Effective 12/10/1998

RECEIVED: 05/22/97 STATUS: Cancelled EFFECTIVE: 05/23/97

SERVICE CLASSIFICATION NO. 3 (CONT'D)

INTERRUPTIBLE SALES SERVICE (CONT'D)

ADJUSTMENT FOR FIXED PRICE OPTION ONLY (CHAMPLAIN DISTRICT):

Customers taking service under this service classification shall be subject to an adjustment in their prices due to fluctuations in the cost of gas as set forth in their individual Service Agreements.

MINIMUM CHARGE:

Owego, Goshen, Lockport, Oneonta and Norwich Districts:

April to October, Inclusive (for the entire period or during period service is taken within such months, whichever is less. For the initial term of service the amount will be prorated based on the number of days service is taken). Customer will be required to purchase under this service classification and/or transport under Schedule PSC No. 88 Gas, or superseding issues thereof, a minimum quantity of 70,000 Therms. If this minimum is not met, the deficiency will be billed at the applicable price as set forth on the Statement of Gas Interruptible Transportation Rate Adjustment filed pursuant to PSC No. 88 Gas, or superseding issues thereof, effective on October 31 of each year.

In the event that service is interrupted by the Company in accordance with the terms of this service classification, then the Minimum Charge shall be multiplied by the ratio of the number of days that service is available to the customer for a full day to the total number of days in the service period.

November to March, Inclusive - None.

Issued By: Michael I. German, Senior Vice President, Binghamton, New York