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PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 07/01/16
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SERVICE CLASSIFICATION NO. 7 (CONT'D)**FIRM OR LIMITED FIRM NEGOTIATED TRANSPORTATION SERVICE (CONT'D)****PRICE:**

The specific charges for service under this service classification shall be stated in the negotiated Transportation Service Agreement executed for each customer served hereunder. The stated price contained in any Transportation Service Agreement shall, at a minimum, recover all incremental costs the Company incurs in serving the Customer, appropriate pipeline adjustments and charges, plus a reasonable contribution toward system costs, including \$0.81 of bill issuance costs.

MINIMUM ANNUAL QUANTITY:

Customer shall be required to transport and pay for under this service classification a minimum annual quantity of gas as specified in the Transportation Service Agreement.

INCREASES IN PRICES AND CHARGES APPLICABLE WHERE SERVICE IS SUPPLIED:

The prices and charges under this service classification, including the Minimum Charge, shall 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.

RATE ADJUSTMENT MECHANISM ("RAM"):

The RAM shall be applied per term to all terms delivered under this Service Classification (as explained in this Schedule, General Information Rule 37). See RAM Statement.

TERMS OF PAYMENT:

Billing and payment for service provided under this service classification shall be in accordance with General Information Section 4.N. of this Schedule.

TERM:

The initial and renewal term provisions shall be as provided for within the Transportation Service Agreement.

GENERAL GUIDELINES FOR SERVICE:

For service to be rendered under this service classification, the Company shall generally be guided by, on a case-by-case basis, the following considerations for purposes of negotiating the specific price level and establishing the related terms and conditions of service applicable to each customer served hereunder, as stated in each Transportation Service Agreement.

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