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PSC NO: 88 Gas

NEW YORK STATE ELECTRIC & GAS CORPORATION

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GENERAL INFORMATION

1. DEFINITIONS: (CONT'D)

Direct Customer: A transportation customer who acts on its own behalf to purchase and arrange to bring natural gas to the Company's citygate for its own consumption and not for resale. A Direct Customer may aggregate and schedule load for itself and other Direct Customers, but each Direct Customer continues to be responsible individually for meeting balancing and other requirements placed on Direct Customers.

Dual-Fuel: The capability of a commercial or industrial Customer to use a fuel other than natural gas (i.e. coal, fuel oil, propane, etc.) for meeting all or some of its energy requirements

FERC: The Federal Energy Regulatory Commission, or any successor organization thereto.

Firm Service: The highest quality sales or transmission service offered to Customers under a rate schedule that anticipates no service interruptions.

Force Majeure: A superior force "act of God" or unexpected and disruptive event which may serve to relieve a party from a contract or obligation.

FT: Firm Transportation.

Imbalance: The difference between the quantity of gas delivered to a Customer's facilities and the quantity of gas received by the Company for the Customer over a corresponding period, as adjusted. A positive imbalance occurs when the quantity received exceeds the quantity delivered. A negative imbalance occurs when the quantity delivered exceeds the quantity received.

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