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GENERAL INFORMATION

1. DEFINITIONS:

As used herein, the following terms shall have the meanings set below. Additionally, other terms used within this schedule are defined in the Uniform Business Practices ("UBPs") UBP Addendum.

Aggregation: Receiving, validating and summing forecasts for ESCOs.

Aggregation Pool: A group of customers who have contracted with a specific ESCO who combines the customers' load for purposes of nominations, scheduling reconciliation of monthly imbalances and supplemental supply billing.

Aggregation Pool Operator: An individual or entity responsible for causing the natural gas supplies to be delivered to the Company on behalf of non-daily metered transportation Customers necessary to satisfy the full requirements of the Aggregation Pool, as directed by the Company. Generally, a Customer's ESCO or Marketer is also the Aggregation Pool Operator.

Aggregation Pooling Area: An area defined as a Company operational area served, generally, by a single interstate pipeline. Aggregation Pooling Areas shall be defined, designated, and/or modified on a prospective basis, in the Company's reasonable discretion and shall be posted on the Company's Electronic Bulletin Board (EBB).

Annual Period: The 12 Months beginning with the Month in which the Customer first receives service under the applicable service classification. Each succeeding 12-Month period shall constitute another Annual Period.

Average Daily Gas Index: The average of the Maximum Daily Gas Index and the Minimum Daily Gas Index.

Balancing: A process which reconciles the amount of natural gas delivered (nomination) with the actual customers use (recorded or ETU calculation).

Baseload: The portion of a Customer's or a group of Customers' load that does not vary seasonally or in response to variation in temperature.

British Thermal Unit (BTU): The amount of heat required to raise the temperature of one pound of water one degree Fahrenheit at 60 degrees Fahrenheit.

Business Days: Any Monday through Friday when the Company's business offices are open; excluding holidays recognized by the Company.

GENERAL INFORMATION

1. DEFINITIONS: (CONT'D)

Capacity: Space on a pipeline allowing the Company or shippers to move gas from a receipt point to citygate for distribution on the Company's system.

Cash-Out: Procedures by which the Company and ESCOs resolve imbalance through cash payments.

Citygate: The interconnection point between an Upstream Pipeline and the local facilities through which the Company receives deliveries from that pipeline.

Combination Account: A common account for both gas and electric service for the purpose of combined gas and electric billing by the Company. A Combination Account is served under P.S.C. No. 87 Gas or this Schedule, and under P.S.C. No. 120 Electricity, or superseding issues thereof.

Company: New York State Electric & Gas Corporation, or any successor organization thereto.

Consumption Algorithm: A mathematical formula used to calculate a Customer's daily consumption based on the Customer's historical Baseload and use per Degree Day factors.

Core Customer: A Customer that has no viable alternative fuel and relies on the Company for gas delivery and/or commodity service.

Cost of Gas: Computed by multiplying the average cost of gas per unit, as used in the Gas Supply Charge (GSC) calculation, by the units of gas used.

Critical Care Customer(s): A Customer(s) that heats all or any portion of any building, including apartment houses, prisons, dormitories, nursing homes, hospitals, hotels, and other buildings where persons may dwell on a permanent basis, solely with natural gas. Also known as "Human Needs Customer(s)."

Critical Day: A day when the Company declares an OFO.

Critical Period: A period of operational stress or impending potential operational stress that may impact the integrity of the Company's gas distribution system, or a force majeure event.

GENERAL INFORMATION

1. DEFINITIONS: (CONT'D)

Cubic Foot (Cf): The amount of gas required to fill a volume of one cubic foot under stated conditions of temperature, pressure and water vapor, usually referenced to 14.7 PSI and 60 degrees Fahrenheit.

Curtailement: The reduction of gas deliveries to Customers or Direct Customers initiated by the Company to maintain the integrity of the Company's distribution system and/or when there is a shortage of supply or a lack of capacity on an Upstream Pipeline and/or the Company's distribution system.

Customer:

Residential Customer: A person who is receiving service at a dwelling for their own residential use or the residential use by another person. For purposes of the Home Energy Fair Practices Act (HEFPA), a residential customer includes any person who is supplied service at a premises used in whole or in part as their residence, as defined in 16 NYCRR 11.2(a)(2).

Non-residential Customer: A person, corporation or other entity receiving service who is not a residential customer as defined in 16 NYCRR 11.

Customer Account Number: The Company specific unique identifier associated with a Customer of the Company.

Daily Aggregated Volume ("DAV"): The quantity of gas, adjusted for losses, that the Company instructs an Aggregation Pool Operator to deliver to the Company at the Receipt Point(s).

Daily Balancing Pool: A Pool comprised of daily metered transportation Customers who have chosen to balance deliveries to the Company to the consumption of Customers on a daily basis.

Day: A period of 24 consecutive hours beginning and ending at 9:00 AM Central Clock Time.

Degree Days or Heating Degree Days ("HDD"): A measure of deviation in temperature calculated by subtracting the average daily temperature from 65 degrees Fahrenheit.

Dekatherm ("Dth"): 10 therms which is the quantity of heat energy equal to 1,000,000 BTUs.

Deliveries: Gas delivered to a Distribution Point of Receipt.

Delivery Point: A physical interconnection between the Company and the Customer, at which the Company may deliver gas to the Customer or for the Customer's account.

Design Day: A 24-hour period of demand which is used as a basis for planning gas capacity requirements for the highest demand a system area could experience.

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 places 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.

GENERAL INFORMATION

1. DEFINITIONS: (CONT'D)

Interruptible Service: Service that is subject to interruption for lack of gas supply, Upstream Pipeline capacity or Company distribution capacity at the discretion of the Company.

Involuntary Switch: A process or situation where a Customer is switched to another provider without the Customer's authorization.

IT: Interruptible Transportation.

Load Factor: The ratio of the average consumption to maximum consumption for a given time period.

Losses: The loss of gas, resulting from its transportation over the Distribution System, between the Distribution Point(s) of Receipt and the Distribution Point(s) of Delivery.

Lost and Unaccounted for Gas: The difference between the quantity of gas available from all sources (purchased, transported, and locally produced) and the quantity accounted for by sales, deliveries or Company use.

Mandatory Release Capacity Customer(s): A Non Daily Metered Aggregation Customer , or any Daily Metered Critical Care Customer (also known as "Human Needs Customer") without an alternate fuel.

Marketer: An Energy Services Company ("ESCO").

Maximum Daily Aggregation Pool Quantity ("MDAPQ"): The sum of the applicable MDTQs of all Customers in an Aggregation Pool.

GENERAL INFORMATION

1. DEFINITIONS: (CONT'D)

Maximum Daily Gas Index: The average of the maximum daily prices from the Daily Price Survey from Gas Daily for the following areas: Tennessee and Texas Gas (Entire Z 1) from the East Texas - North Louisiana area; Columbia, Tennessee (500 leg), Tennessee (800 leg), and Texas Gas SL from the Louisiana - Onshore South area. To the extent that any publication or delivery area is no longer available, the Company shall, as a substitute, use equivalent prices from a standardly recognized gas industry publication.

Maximum Daily Pooling Quantity ("MDPQ"): The sum of the applicable winter or summer Maximum Daily Transportation Quantities of all the Customers in a Pool.

Maximum Daily Reservation Quantity ("MDRQ"): The maximum daily quantity of firm sales that the Company is obligated to provide the Customer.

Maximum Daily Transportation Quantity ("MDTQ"): The maximum quantity of gas that the Company is contractually required to deliver to the Customer on a Design Day.

Minimum Daily Gas Index: The average of the minimum daily prices from the Daily Price Survey from Gas Daily for the following areas: Tennessee and Texas Gas (Entire Z 1) from the East Texas - North Louisiana area; Columbia, Tennessee (500 leg), Tennessee (800 leg), and Texas Gas SL from the Louisiana - Onshore South area. To the extent that any publication or delivery area is no longer available, the Company shall, as a substitute, use equivalent prices from a standardly recognized gas industry publication.

Month: A period beginning at 9:00 AM Central Clock Time on the first Day of the calendar Month and ending at 9:00 AM Central Clock Time on the first Day of the following calendar Month.

Monthly Balancing Pool: A Pool comprised of daily metered transportation Customers who have chosen to balance deliveries to the Company to the consumption of Customer's on a monthly basis.

New York Mercantile Exchange ("NYMEX"): The commodity exchange based in New York City where the natural gas futures and options contract and other energy futures are traded, or any successor organization thereto.

GENERAL INFORMATION

1. DEFINITIONS: (CONT'D)

Nomination: A request by a Pool Operator/Aggregation Pool Operator to the Company to move a certain volume of natural gas on a pipeline during a given period.

Non-Core Customer: A Customer that has multiple fuel options and does not rely solely on the flow of gas for continued heat and other operations.

Operating Agreement: The standard form agreement between the Utility and the ESCO or the DC setting forth the duties, responsibilities and obligations of the Utility and the ESCO or the DC, which agreement must be executed and delivered by the ESCO or the DC as a condition to participate in General Retail Access.

Operational Flow Order (“OFO”): An order issued by the Company or a pipeline to protect the operational integrity of its system. A Company issued OFO may require ESCOs, DCs and Balance Control Owners to modify their gas deliveries to the Company’s system to maintain system integrity.

Pool: A group of customers who have contracted with a specific ESCO who combines the customers’ load for purposes of nominations, scheduling reconciliation of monthly imbalances and supplemental supply billing (Equivalent to a Marketer Pool).

Pool Operator: An individual or entity responsible for causing the natural gas supplies to be delivered to the Company on behalf of daily metered transportation Customers necessary to satisfy the full requirements of the Pool. Direct Customers acting solely on their own behalf, and who are not part of a third party Pool, shall bear the responsibilities of a Pool Operator as set forth in this Schedule. A Pool Operator may or may not be the Customer's ESCO or Marketer.

Pooling: The ability of the Pool Operator to aggregate natural gas supplies delivered to the Company's distribution system by such Pool Operator to satisfy the full requirements of two or more daily metered transportation Customers of the Company which daily metered Customers have assigned their right and duties to balance under this Schedule to said Pool Operator.

Pooling Area: An area defined as a Company operational area served, generally, by a single interstate pipeline. Pooling areas shall be defined, designated, and/or modified on a prospective basis, in the Company's reasonable discretion and shall be posted on the Company's Electronic Bulletin Board (“EBB”).

Pooling Area Imbalance: The difference between the quantity of gas delivered by the Company and the quantity of gas received by the Company for all associated Daily Metered Pools.

Public Service Commission (“PSC”): New York State Public Service Commission, or any successor organization thereto. A state regulatory body with authority over electric, gas, communications, water, and cable utilities in New York State. It is charged by law with ensuring that safe and reliable service is made available at reasonable rates while, at the same time, allowing the utility the opportunity to earn a return on its investment that is sufficient to maintain its credit and enable it to continue raising the capital necessary to provide satisfactory service in the future.

Qualification: The process by which an ESCO or a DC receives approval to serve Customers under the term of this Tariff.

GENERAL INFORMATION

1. DEFINITIONS: (CONT'D)

System Alert (SA): An announcement of actual or pending events that may result in an OFO.

Total Annual Quantity ("TAQ"): The maximum annual quantity of gas the Company is contractually obligated to deliver per year.

Uniform Business Practices ("UBPs"): Those practices set forth in the UBP Addendum, which are incorporated herein by reference.

Upstream Capacity: Capacity on an Upstream Pipeline.

Upstream Pipeline: An interstate pipeline, intrastate pipeline or local producer or distribution company to which the Company is physically connected and from which the Company may take deliveries of gas.

Voluntary Switch: A process or situation where an Eligible Customer's ESCO is changed from one provider to another with the customer's authorization or where an Eligible Customer returns to the Company on its own initiation. A Voluntary Switch is any switch authorized by the Customer. An ESCO may act as the customer's authorized designee in a voluntary switch situation.

Weighted Average Cost of Capacity: The Company's cost of pipeline capacity upstream of the Company's Citygate.

Weighted Average Cost of Gas: The Company's total cost of gas upstream of the Company's Citygate. The cost is comprised of the commodity cost of gas, all pipeline capacity costs and all storage capacity costs.

GENERAL INFORMATION

4. DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)

C. Nomination and Scheduling:

Two business days prior to the start of each month, the Pool Operator shall notify the Company of the daily quantity of gas to be transported during the next monthly period. Failure to notify the Company shall cause the daily nomination to go to zero DT/Day for the next monthly period, until a valid nomination is received.

Pool Operators may renominate or change the daily quantity (subject to capacity limitations and the requirements of the Company's upstream pipeline(s)) of gas to be transported during any monthly period. Intra-month nomination changes are due to the Company by 12:30 p.m. one Day prior to the Day the change is to take effect to allow Company dispatchers to make the necessary arrangements with other gas controllers to effectuate deliveries.

Except weekends and holidays, the Company may accept mid-Day changes in nominations, provided such changes can be confirmed by all affected Upstream Pipelines.

A Pool Operator's nominations for any Day shall not be greater than the Maximum Daily Pooling Quantity of the Pool for the applicable Pooling Area.

All deliveries, as specified in the customer's Gas Transportation Agreement, are subject to physical limitations of the Company's delivery system as determined by the Company. Advanced notice of long-term system constraints shall be made to any affected customers and

D. Warranty of Title:

Customer warrants that it shall have good title to all natural gas delivered to the Company for transportation hereunder, and that such gas shall be free and clear of all liens, encumbrances and claims whatsoever, and that it shall indemnify the Company and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any and all persons to said gas.

E. Allowance for Losses:

In all Pooling Areas, the Marketer/Pool Operator/Customer shall provide the Company with a quantity of gas equal to 0.181% of the amount of Customer-owned gas received by the Company as an allowance for losses and Company use incurred in the process of delivery. This provision is effective through August 31, 2016. Effective September 1, 2016, the Aggregation Pool Operator shall provide the Company with a quantity of gas equal 0.030% of the amount of Customer-owned gas received by the Company as an allowance for losses and Company use incurred in the process of delivery. This allowance is based on the Factor of Adjustment set forth in General Information Section 14 of P.S.C. No. 90 Gas, or superseding issues thereof. The allowance shall be adjusted consistent with changes to the Factor of Adjustment.

GENERAL INFORMATION

4. DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)

G. Daily Balancing for Daily Balanced Pools:

- (1) A Daily Balanced Pool shall have an Imbalance on the Company's system when the quantity of gas received by the Company for the Pool and the corresponding quantity of gas delivered to the facilities of the Customer(s) that belong to the Pool, adjusted for losses, are not equal on any Day. Any positive or negative daily Imbalances shall be cashed-out as stated below. Such daily cash-outs shall be summed and billed to the Pool Operator on a monthly basis.

A negative daily Imbalance exists when the Company receives a quantity of gas for a Pool that is less than the quantity of gas, adjusted for losses, delivered by the Company to the Pool's Customers on a given Day. A positive daily Imbalance exists when the Company receives a quantity of gas for a Pool that is greater than the quantity of gas, adjusted for losses, delivered by the Company to the Pool's Customers on a given Day.

A Daily Balanced Pool shall be cashed-out to zero daily as set forth in 4.G.(2) below.

- (2) Daily Cash-Out Calculation
 - a. At the end of the Day the Pooling Area Imbalance shall be calculated.
 - (i) If the absolute value of the Pooling Area Imbalance is less than 10%, each Pool Operator shall be cashed-out according to 4.G.(2).b of this Schedule.
 - (ii) If the absolute value of the Pooling Area imbalance is greater than 10%, and the absolute value of the ESCO Pool Imbalance is less than 10%, that ESCO's imbalance shall be cashed out according to 4.G.(2).b of this Schedule.
 - (iii) If both the absolute value of the Pooling Area Imbalance and the absolute value of the ESCO Pool Imbalance is greater than 10%, that ESCO shall be cashed-out according to 4.G.(2).c of this Schedule.

GENERAL INFORMATION

4. DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)

G. Daily Balancing for Daily Balanced Pools: (Cont'd)

(2) Daily Cash-Out Calculation (Cont'd)

(b) Method for Calculating the Daily Cash-Out Price (Absolute Value Between 0% - 10%)

The Company shall calculate the daily cash-out price by Pooling Area based upon the applicable daily price index published in Gas Daily (or a successor).

Pooling Area	Pricing Components
Algonquin	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Columbia	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia variable and fuel.
Dominion	a. DTI South Point midpoint; plus b. DTI variable and fuel.
Iroquois	a. Iroquois Receipts midpoint; plus b. Iroquois variable and fuel.
North Country	a. Iroquois Receipts midpoint; plus b. TransCanada (Iroquois to Napierville) variable and fuel.
O&R	a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Tennessee	a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee variable and fuel.

GENERAL INFORMATION

4. DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)

G. Daily Balancing for Daily Balanced Pools: (Cont'd)

(2) Daily Cash-Out Calculation (Cont'd)

(c) Method for Calculating the Daily Cash-Out Price (Greater than 10%) shall utilize the following cash-out indices and associated multipliers.

Pooling Area	Negative Imbalances > -10% <i>(Under deliveries)</i>	Positive Imbalances > +10% <i>(Over deliveries)</i>
Algonquin	<ul style="list-style-type: none"> a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin Demand (100% Load Factor); plus c. Iroquois & Algonquin variable and fuel. 	<ul style="list-style-type: none"> a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Columbia	<ul style="list-style-type: none"> a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia Demand (100% Load Factor); plus c. Tennessee & Columbia variable and fuel. 	<ul style="list-style-type: none"> a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee & Columbia variable and fuel.
Dominion	<ul style="list-style-type: none"> a. DTI South Point midpoint; plus b. DTI Demand (100% Load Factor); plus c. DTI variable and fuel. 	<ul style="list-style-type: none"> a. DTI South Point midpoint; plus b. DTI variable and fuel.
Iroquois	<ul style="list-style-type: none"> a. Iroquois Receipts midpoint; plus b. Iroquois Demand (100% Load Factor); plus c. Iroquois variable and fuel. 	<ul style="list-style-type: none"> a. Iroquois Receipts midpoint; plus b. Iroquois variable and fuel.
North Country	<ul style="list-style-type: none"> a. Iroquois Receipts midpoint; plus b. TransCanada Demand (100% Load Factor of Iroquois to Napierville); plus c. TransCanada (Iroquois to Napierville) variable and fuel 	<ul style="list-style-type: none"> a. Iroquois Receipts midpoint; plus b. TransCanada (Iroquois to Napierville) variable and fuel.
O&R	<ul style="list-style-type: none"> a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin Demand (100% Load Factor); plus c. Iroquois & Algonquin variable and fuel. 	<ul style="list-style-type: none"> a. Iroquois Receipts midpoint; plus b. Iroquois & Algonquin variable and fuel.
Tennessee	<ul style="list-style-type: none"> a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee Demand (100% Load Factor); plus c. Tennessee variable and fuel. 	<ul style="list-style-type: none"> a. Average of Tennessee, La., 500 leg and 800 leg midpoints; plus b. Tennessee variable and fuel.

GENERAL INFORMATION

4. DAILY METERED TRANSPORTATION REQUIREMENTS: (CONT'D)

G. Daily Balancing for Daily Balanced Pools: (Cont'd)

(2) Daily Cash-Out Calculation (Cont'd)

- (c) Method for Calculating the Daily Cash-Out Price (Greater than 10%) shall utilize the following cash-out indices and associated multipliers (Cont'd)

Positive Imbalances (Over Deliveries)	Multiplier
Greater than +10% to +15%	90%
Greater than +15% to +20%	85%
Greater than +20% (Winter Period -- November through March)	60%
Greater than +20% (Summer Period -- April through October)	70%

Negative Imbalances (Under Deliveries)	Multiplier
Greater than -10% to -15%	110%
Greater than -15% to -20%	115%
Greater than -20% (Winter Period -- November through March)	140%
Greater than -20% (Summer Period -- April through October)	130%

(d) Upstream Pipeline Cost Overrun

Applicable and in addition to 4.G.(2)(b) and 4.G.(2)(c) above, the Company shall have the right to collect from ESCOs incremental upstream pipeline costs incurred, beyond the 10% balancing threshold, upon demonstration by the Company.

(e) Operational Flow Order (OFO)

During an OFO, the Daily Cash-Out Calculation as set forth in Sections 4.(G).(2)(a) and 4.(G).(2)(b), shall be suspended, and each ESCO's imbalance shall be cashed-out according to 4.G.(2)(c).

GENERAL INFORMATION

5. NON-DAILY METERED GAS TRANSPORTATION REQUIREMENTS: (CONT'D)

E. Warranty of Title:

Customer's Marketer warrants that it shall have good title to all natural gas delivered to the Company for transportation hereunder, and that such gas shall be free and clear of all liens, encumbrances and claims whatsoever, and that it shall indemnify the Company and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any and all persons to said gas.

F. Allowance for Losses:

In all Aggregation Pooling Areas, the Marketer/Aggregation Pool Operator/Customer shall provide the Company with a quantity of gas equal to 0.181% of the amount of Customer-owned gas received by the Company as an allowance for losses and Company use incurred in the process of delivery. This provision is effective through August 31, 2016. Effective September 1, 2016, the Aggregation Pool Operator shall provide the Company with a quantity of gas equal 0.030% of the amount of Customer-owned gas received by the Company as an allowance for losses and Company use incurred in the process of delivery. This allowance is based on the Factor of Adjustment set forth in General Information Section 14 of P.S.C. No. 90 Gas, or superseding issues thereof. The allowance shall be adjusted consistent with changes to the Factor of Adjustment.

G. Billing and Payment:

All bills are rendered at the "unit prices" stated in this Schedule, and that amount is due on bills paid on or before the "past due" date indicated on the bill.

(1) Marketers/Pool Operators/Direct Customers Billing and Payment:

- (a) Marketers/Pool Operators/Direct Customers shall be billed in accordance with Section 24 of this Schedule.

(2) Customer Billing and Payment:

- (a) Eligible Customers may make a billing and payment processing election in accordance with Section 32 of this Schedule.
- (b) All other Customers shall be billed in accordance with Section 8 of P.S.C. No. 90 Gas, or superseding issues thereof.

PSC NO. 88 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 07/01/16
Issued in compliance with Order in Case 15-G-0284, dated June 15, 2016

Leaf : 34
Revision: 8
Superseding Revision: 6

GENERAL INFORMATION

16. ESCO REQUIREMENTS

ESCOs must provide Home Energy Fair Practices Act (HEFPA) protections to residential customers, in compliance with the Commission's Order Relating to Implementation of Chapter 686 Laws of 2003 and Pro-Ration of Consolidated Bills, Case Nos. 99-M-0631 and 03-M-0017, issued June 20, 2003, together with the rules and regulations implementing the same, as the same may be revised, modified, amended, clarified, supplemented or superseded. Further information is available at the New York Public Service Commission's website (<http://www.dps.ny.gov>).

GENERAL INFORMATION

18. DOMINION CITYGATE SWING CUSTOMER BALANCING SERVICE NON-DAILY METERED TRANSPORTATION REQUIREMENTS (Cont'd)

E. Warranty of Title:

The Customer's Aggregation Pool Operator warrants that it shall have good title to all natural gas delivered to the Company for transportation hereunder, and that such gas shall be free and clear of all liens, encumbrances and claims whatsoever, and that it shall indemnify the Company and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any and all persons to said gas.

F. Allowance for Losses:

In all Aggregation Pooling Areas, the Aggregation Pool Operator shall provide the Company with a quantity of gas equal to 0.181% of the amount of Customer-owned gas received by the Company as an allowance for losses and Company use incurred in the process of delivery. This provision is effective through August 31, 2016. Effective September 1, 2016, the Aggregation Pool Operator shall provide the Company with a quantity of gas equal 0.030% of the amount of Customer-owned gas received by the Company as an allowance for losses and Company use incurred in the process of delivery. This allowance is based on the Factor of Adjustment set forth in General Information Section 14 of P.S.C. No. 90 Gas, or superseding issues thereof. The allowance shall be adjusted consistent with changes to the Factor of Adjustment.

G. Billing and Payment:

All bills are rendered at the "unit prices" stated in this Schedule, and that amount is due on bills paid on or before the "past due" date indicated on the bill.

(1) Aggregation Pool Operators Billing and Payment:

(a) Aggregation Pool Operators shall be billed in accordance with Section 24 of this Schedule.

(2) Customer Billing and Payment:

(a) Eligible Customers may make a billing and payment processing election in accordance with Section 32 of this Schedule.

(b) All other Customers shall be billed in accordance with Section 8 of P.S.C. No. 90 Gas, or superseding issues thereof.

H. Alternate Fuel Facilities:

Where service provided hereunder is subject to the Customer maintaining alternate fuel facilities, the Company reserves the right to conduct an on-site inspection of such facilities at any time to determine whether the facilities are properly installed, maintained, functioning and capable of serving the Customer's energy requirements at a level equivalent to the natural gas delivered hereunder.

PSC NO: 88 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 07/01/16
Issued in compliance with Order in Case 15-G-0284, dated June 15, 2016

Leaf: 50.10
Revision: 4
Superseding Revision: 2

GENERAL INFORMATION

24. BILLING AND COLLECTION SERVICES AND CHARGES:

See Section 7 of the UBP Addendum in this Schedule. The terms ESCO, Pool Operator, and Aggregation Pool Operator are used synonymously for purposes of this section.

A. Invoices

- (1) Invoices shall be issued to ESCOs/Pool Operators/Aggregation Pool Operators/Direct Customers monthly for Imbalances, customer data provided on request (over and above the information provided without charge), Special Meter Reading charges, adjustments to prior invoices, and other retail tariff services provided in accordance with this Schedule.
- (2) Services requested directly by a Customer, that may also be charged to the Customer, shall be billed directly to the Customer unless the Customer's ESCO requests that it be billed instead.

GENERAL INFORMATION

32. CONSOLIDATED BILLING AND PAYMENT PROCESSING:

A. Description:

- (1) Consolidated Billing and Payment Processing, consistent with the Commission's Order Establishing Uniform Retail Access Billing and Payment Processing Practices, Case 99-M-0631, issued May 18, 2001, as the same may be revised, modified, amended, clarified, supplemented or superseded, is provided by the Company. Further information is available at the PSC's website (<http://www.dps.ny.gov>).
- (2) Company specific terms and conditions regarding Consolidated Billing and Payment Processing are detailed in the Billing Services Agreement and the Gas Transportation Operating Procedures Manual.

B. Customer Eligibility:

- (1) Service Classification Nos. 1, 5, 13, 14 and 15 of this Schedule are eligible for Consolidated Billing and Payment Processing.

C. Bill Issuance Charge:

- (1) A Customer electing Consolidated Billing and Payment Processing pursuant to this Section shall not be billed the Bill Issuance Charge for the electric and/or gas service for which Consolidated Billing and Payment Processing has been elected. All other customers receiving electric, gas, or combination service shall be billed one Bill Issuance Charge per bill.

D. Bill processing Charges:

- (1) ESCOs shall be assessed a bill processing charge of \$0.81 per bill for a Company rendered consolidated bill for those customers with electric-only or gas-only service. ESCOs shall be assessed a bill processing charge of \$0.41 for electric service provided and \$0.40 for gas service provided per bill for a Company rendered consolidated bill for those customers with a combination of electric and gas service.

E. Purchase of ESCO Accounts Receivable Program (POR):

- (1) ESCOs that elect the Company's consolidated billing option for all or a portion of their customers shall be required to sell their accounts receivable for such customers to the Company under the terms of the POR. ESCOs continue to have the right to issue their own bill using dual billing for all or a portion of their customers. Such ESCOs shall be precluded from participating in the POR for customers receiving dual billing.
- (2) The POR obviates the need for the Company to prorate partial customer payments among ESCOs that are participating in the POR.

GENERAL INFORMATION

34. ECONOMIC DEVELOPMENT ZONE INCENTIVE (EDZI):

Upon application, a prospective or existing non-residential customer located in an approved Economic Development Zone ("Empire Zone"), that is eligible for service under Service Classification Nos. 1, 5, or 14 of this Schedule, may qualify for the Economic Development Zone Incentive ("EDZI"), as stated in the applicable Special Provision for Economic Incentives of the respective service classifications for qualified gas usage. Such eligible customer may qualify for the EDZI by installing and operating gas-utilizing equipment at the premises as follows: for a "process" customer, qualification is achieved by the installation of new or additional gas-utilizing equipment rated at 1 Therm or more per hour; for a "space conditioning" customer or a "space conditioning and process" customer, qualification is achieved by the installation of new or additional gas-utilizing equipment rated at 2.5 Therms or more per hour.

An eligible "prospective customer" is hereby defined as a business entity which demonstrates that: a) its activities are largely or entirely different in nature from that of the previous customer or b) if the activities are not different, the owner(s) is different; or c) business has not been conducted at the premises for at least 6 months prior to the application for EDZI benefits; or (d) the predecessor customer is in bankruptcy and the applicant has obtained the business in a liquidation sale.

An eligible "existing customer" is hereby defined as a business entity that does not qualify as a prospective customer and is presently taking gas service from the Company's system, thus establishing a base load. Such customer, upon application and qualification, must add gas-utilizing equipment to increase its facility's existing usage, as stated above, to qualify for this incentive, which is solely applicable to such increased usage.

To qualify for the EDZI, an eligible customer, upon application, must present the Company with the appropriate certification from the approved Economic Development Zone Administrator. An eligible customer for EDZI must also provide to the Company a Certificate with an initial date of eligibility that precedes the installation and operation of the qualifying equipment.

For customer usage that qualifies on or after 10/01/04, the EDZI shall be applied for a period of ten (10) years following initial zone certification, beginning with the eligibility date on the certificate, unless the customer's initial zone certification(s) becomes invalid, notwithstanding the expiration of the designation of an Economic Development Zone in the area where the customer is located.

New service under this provision shall no longer be available to customers, except for those under Service Classification No. 1. All other customers shall pay a monthly service bill at the rates and charges under the standard service classification rate.

A qualified customer shall have its monthly service bills, excluding the Transportation Administration Charge, reduced by the percentage discount stated in the applicable Special Provision for Economic Incentives of each eligible service classification, for all usage in excess of a base amount established for each monthly billing period. For an existing customer, the base amount shall be based on a one-year historical period, actual or estimated, as determined by the Company prior to qualification for the incentive. For a prospective customer, the base amount shall be zero.

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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Superseding Revision: 4

GENERAL INFORMATION

35. Purchase of ESCO Accounts Receivable Program (POR)

In accordance with the Joint Proposal on Purchase of Accounts Receivable ("POR JP") dated November 1, 2005, in Case 05-M-0453 as approved by the Public Service Commission's Order Adopting the Terms and Conditions of the Joint Proposal for the Purchase of Accounts Receivable, issued December 27, 2005, as amended with the Joint Proposal dated July 14, 2010, in Cases 09-E-0715, 09-G-0716, 09-E-0717, and 09-G-0718, and as further amended by the Joint Proposal dated February 19, 2016, in Cases 15-E-0283, 15-G-0284, 15-E-0285, and 15-G-0286. The Company shall purchase accounts receivable at a discount and without recourse for commodity sales by ESCOs that provide commodity service in the Company's territory.

Eligibility Requirements:

ESCOs that elect the Company's consolidated billing option for all or a portion of their customers shall be required to sell their accounts receivable for such customers to the Company under the terms of the POR. ESCOs continue to have the right to issue their own bill using dual billing for all or a portion of their customers. Such ESCOs shall be precluded from participating in the POR for customers receiving dual billing.

Purchase Price:

Gas accounts receivable shall be purchased at a discount off face value of the ESCO receivable. The discount rate shall be sufficient to compensate the Company for its financial risk in purchasing gas receivables, and be comprised of the following components.

- a) Commodity-related Uncollectible percentage based on total Company uncollectible costs for the most recent available 12-month period divided by the sum of the total retail, retail access, and purchased ESCO receivables revenue for the same 12-month period.
- b) Financial Risk Adder set at 20% of the applicable uncollectible percentage.
- c) Commodity-related credit and collections and call center percentage.

Discount rates shall be adjusted each year to reflect the Company's most recent 12-month experience for uncollectible expense. Additionally, the credit and collections and call center allocation included in the discount rate shall be reconciled annually with any under- or over-collections included in the following year's discount rate.

Beginning with the Statement to be effective May 1, 2017, a POR Discount (DISC) Statement setting forth the electric discount and gas discount shall be filed with the Public Service Commission 60 days prior to the May 1 effective date of each annual filing.

Payments:

Payments to ESCOs shall be made, via ACH (Automated Clearing House), 20 days after acceptance of the EDI 810 transaction.

Other Considerations:

The POR shall be subject to modifications based upon Commission orders, rules, and regulations applicable to retail access, including, but not limited to, the Uniform Business Practices, proration of customer payments under a single bill, and provisions of Home Energy Fair Practices Act. The POR obviates the need for the Company to prorate partial customer payments among ESCOs that are participating in the POR.

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

GENERAL INFORMATION

36. EXCELSIOR JOBS PROGRAM

PURPOSE:

This service is provided in cooperation with the New York State Empire State Development (“ESD”), pursuant to Article 17 of the Economic Development Law, to assist in job creation and financial investment in targeted industries such as biotechnology, pharmaceutical, high-tech, clean-technology, green technology, financial services, agriculture and manufacturing throughout the Company's service territory.

A. ELIGIBILITY CRITERIA:

- 1) A customer must be approved by the local ESD and the Company must be notified by ESD that the customer has entered into a formal agreement with ESD.
- 2) A customer must qualify for service under and in accordance with the provisions of Service Classification Nos. 1, 5 and 14.
- 3) A customer must receive an annual certification of tax credit from ESD verifying that they have satisfied the eligibility criteria and must also satisfy any usage thresholds for additional load as set forth below. The customer shall receive the Excelsior incentive for one year each year that they are issued a certification from ESD. In the event that a 12-month period has ended but the Company has not yet receive notification from ESD regarding the next year's certification the customers benefits shall continue until either an additional three months has passed or the Company receives notification that the customer shall not be issued a tax certificate for the year.
- 4) A customer who increases their usage by 25% on a monthly basis above their baseload shall be eligible to receive the appropriate Excelsior Jobs Program rates. A customer with a baseload of zero shall receive the appropriate Excelsior Jobs Program rates on their entire load. Weather sensitive customers' baseload usage shall be weather normalized. Weather sensitive customers' actual usage shall be weather normalized to determine if the twenty-five percent (25%) threshold is reached. A customer who achieves the 25% increase above their baseload shall receive the appropriate Excelsior rates on all of the load above the baseload.

B. TERM

A qualified customer shall be eligible to receive the Excelsior Jobs Program rates for no more than ten years from the initial certification from ESD or until a customer's Excelsior approval becomes invalid. If a customer's Excelsior certification becomes invalid, the customer shall not be eligible to receive Excelsior Jobs Program rates until the Company is notified by ESD that the customer has been recertified.

C. BILLING

The Excelsior Jobs Program rates for Service Classification No. 1 is provided within the special provision listed herein. All other service classes are equal to the customer's otherwise applicable standard service classification delivery rates with the exception of the Revenue Decoupling Mechanism (RDM).

GENERAL INFORMATION

36. **EXCELSIOR JOBS PROGRAM (Cont'd)**

C. BILLING (cont'd)

TRANSITION CHARGE

All Excelsior Jobs Program customers receiving discounted delivery rates are exempt from paying the Transition Charge.

REVENUE DECOUPLING MECHANISM (RDM) ADJUSTMENT

All Excelsior Jobs Program customers are exempt from paying the Revenue Decoupling Mechanism (RDM) Adjustment on qualifying load.

D. INCREASE IN RATES AND CHARGES

The rates and charges under this rider are increased by the applicable effective aggregate percentage shown in General Information Section 3 for service supplied in the municipality where the customer is taking service.

E. OTHER

A qualified customer shall pay a monthly service bill at the rates and charges under this rate for all therms in excess of a base amount of therms established for each monthly billing period.

- a. For an existing customer, the base amount shall be determined by the Company using an annual historical period. The customer may request an adjustment to the base amount if the customer has installed energy conservation measures pursuant to an energy efficiency program approved by the Commission.
- b. For a prospective customer, the base amount shall be zero.

If it is determined that the bill calculated under this provision exceeds the bill calculated under the otherwise applicable standard Service Classification rates, the customer shall pay the lower of the two bills.

If the customer is receiving Empire Zone or Economic Development Zone discounts, such customer agrees to forfeit any prospective discounts received under the Empire Zone or Economic Development Zone program at any location or locations that qualify for Excelsior Jobs Program discounts as of the date the customer begins to receive Excelsior Jobs Program discounts.

37. **RATE ADJUSTMENT MECHANISM ("RAM")**

A. Applicable to all customers taking gas delivery service.

B. RAM Eligible Deferrals and Costs:

All RAM Eligible Deferrals and Costs shall be the difference between actual costs and the amounts provided for in base rates. RAM Eligible Deferrals and Costs shall include:

- (1) Property Taxes;
- (2) Gas Leak Prone Pipe Replacement; and
- (3) Reforming the Energy Vision ("REV") costs and fees which are not covered by other recovery mechanisms.

All RAM revenues and deferrals are subject to reconciliation.

GENERAL INFORMATION

37. RATE ADJUSTMENT MECHANISM ("RAM") (Cont'd)

C. **Annual RAM Recovery / Return Limits:**

The annual RAM recovery / return shall be limited to \$5.2 million for gas. The RAM shall only be implemented for the Company once the limit is reached from netting the RAM Eligible Deferrals. Any net RAM Eligible Deferral value in excess of the limit shall remain deferred and shall be carried forward to the calculation of the RAM limits in the following year. Any net regulatory asset or liability in excess of the Company's annual RAM recovery / return limit shall be carried forward to the calculation of the RAM in the following year.

D. **Deferred Regulatory Asset and Liability Balances:**

The Company shall measure the deferred regulatory asset and liability balances for the items specified as RAM Eligible Deferrals and Costs (listed above) as of December 31 for each year. The RAM shall be identified in the Company's respective RAM Compliance Filings submitted on March 31 of each year and shall be implemented in rates on July 1 of each year for collection over the 12 months from July 1 to June 30. The RAM Compliance Filings shall include proposed RAM rates by service classification. Annually, the Company shall submit RAM tariff statements effective on July 1.

The first RAMs shall be effective July 1, 2017 based on eligible deferred balances as of December 31, 2016.

E. **RAM Annual Recovery / Return Allocation:**

The gas RAM annual recovery / return amounts shall be allocated to service classifications based on delivery service revenues and recovered from customers on a per therm basis.

F. **Carrying Costs:**

The Company shall accrue carrying costs on RAM Eligible Deferrals and costs as follows:

- (1) During the period that the RAM is in effect for those deferral balances being specifically collected or returned, carrying costs shall be based on the Commission's authorized Other Customer Capital Rate.
- (2) RAM Eligible Deferral Balances not in the RAM tariff due to the annual dollar amount restrictions set forth above shall accrue carrying charges as follows:
 - (a) Net Deferral amounts at or under the annual RAM recovery / return limits shall accrue carrying charges at the Other Customer Capital Rate;
 - (b) Additional deferral amounts over the annual RAM recovery / return limits, up to one year's worth of value, shall accrue carrying costs at the Other Customer Capital Rate; and
 - (c) Additional deferral amounts over the annual RAM recovery / return limits in Rule 37.F.(2)(a) and (2)(b) above, shall accrue carrying costs at the Company's respective Pre-Tax Weighted Cost of Capital, applied to the after-tax balance.

G. **Filings and Statements:**

- (1) A RAM Compliance Filing setting forth the RAM rates by Service Classification shall be filed with the Commission by March 31 on an annual basis.
- (2) A RAM Statement setting forth the RAM rates shall be filed with the Commission on not less 30 days' notice to be effective July 1. Such statement may be found at the end of this Schedule.

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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Superseding Revision: 15

SERVICE CLASSIFICATION NO. 1

FIRM TRANSPORTATION SERVICE

APPLICABLE TO THE USE OF SERVICE FOR:

Firm Transportation Service to existing firm sales service customers or new firm customers with minimum quantities eligible for transportation of 25,000 Dth per year, provided the Company has facilities available and adequate for the Customer's load.

CHARACTER OF SERVICE:

Transportation of Customer-owned, pipeline quality, natural gas shall be on a firm basis from a receipt point within the Company's service territory to which this Schedule applies to the facilities at the Customer's existing delivery point, as specified in the Customer's Transportation Service Agreement. The Company shall control the dispatch of such gas, and dispatch shall be provided as requested by the Customer, in accordance with General Information Section 4.C. of this Schedule, provided, however, that acceptance of the Customer's application shall be conditioned upon the availability of the Company's system capacity.

PRICE: (Per Month)

For firm retail customers who elect to replace their retail service with transportation service, the monthly price shall be the Transportation Administration Charge, which includes the first 500 Therms of usage, plus the transportation price applicable to the appropriate areas served under the sales schedules as stated below. A Bill Issuance Charge of \$0.81 per bill may also apply.

A. For Customers Who Do Not Wish to Reserve Their "Sales Customer" Status:

All Areas:	Effective Date		
	07/01/16	05/01/17	05/01/18
Transportation Administration Charge First 500 Therms or less	\$1,405.24	\$1,561.10	\$1,723.55
Usage Charge (per Therm)			
Next 14,500 Therms	0.11971	0.13299	0.14683
Next 35,000 Therms	0.06450	0.07165	0.07911
Over 50,000 Therms	0.06050	0.06050	0.06050

Bill Issuance Charge (per bill): \$0.81, as described in P.S.C. No. 88, General Information Section 32.

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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Superseding Revision: 14

SERVICE CLASSIFICATION NO. 1 (CONT'D)

FIRM TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

Reserved for Future Use

PSC No: 88 - Gas

NEW YORK STATE ELECTRIC & GAS CORPORATION

Initial Effective Date: 07/01/16

Issued in compliance with Order in Case 15-G-0284, dated June 15, 2016

Leaf No. 52.1

Revision: 13

Superseding Revision: 11

SERVICE CLASSIFICATION NO. 1 (CONT'D)

FIRM TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

- B. For Customers Who Are Not Mandatory Capacity Release Customers and Do Wish to Reserve Their "Sales Customer" Status:

All Areas:	Effective Date		
	07/01/16	05/01/17	05/01/18
Transportation Administration Charge First 500 Therms or less	\$1,460.79	\$1,616.65	\$1,779.10
Usage Charge (per Therm)			
Next 14,500 Therms	0.23081	0.24409	0.25793
Next 35,000 Therms	0.17560	0.18275	0.19021
Over 50,000 Therms	0.17160	0.17160	0.17160

Bill Issuance Charge (per bill): \$0.81, as described in P.S.C. No. 88, General Information Section 32.

PSC No: 88 - Gas

NEW YORK STATE ELECTRIC & GAS CORPORATION

Initial Effective Date: 07/01/16

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Superseding Revision: 11

SERVICE CLASSIFICATION NO. 1 (CONT'D)

FIRM TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

Reserved for Future Use

PSC NO: 88 GAS
NEW YORK STATE ELECTRIC & GAS CORPORATION
INITIAL EFFECTIVE DATE: 07/01/16
Issued in compliance with Order in Case 15-G-0284, dated June 15, 2016

LEAF: 54
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SUPERSEDING REVISION: 2

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, shall be increased by a surcharge pursuant to General Information Rule 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:

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 4.E. of this Schedule.
- B. Daily imbalances, underruns and overruns under this service classification shall be calculated and reconciled as set forth in General Information Rule 4 of this Schedule.
- C. Firm Transportation Service shall 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 months. If deliveries are not commenced within the three-month period, the available capacity shall be released for the use of the other applicants.

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

SERVICE CLASSIFICATION NO. 1 (CONT'D)

FIRM TRANSPORTATION SERVICE (CONT'D)

SPECIAL PROVISIONS: (CONT'D)

H. Economic Development Zone Incentive (EDZI):

Customers who qualify, under the Economic Development Zone Incentive (EDZI) in Section 34 of the General Information section of this Schedule, to receive an incentive for usage qualified on or after 10/01/04 shall have their service bills reduced for a term of 10 years following initial zone certification, beginning with the eligibility date on the zone certificate (unless the customer's initial zone certification becomes invalid), notwithstanding the expiration of the designation of an Economic Development Zone in the area where the customer is located. The reduction shall be in the form of a percentage discount, as stated below, reducing the rate for such qualified Therms in excess of the base amount established for each monthly billing period (as described in General Information Section 34 of this Schedule).

EDZI Percentage Discounts, by year of participation, for all Areas, after qualification, after the certificate eligibility date:

Years	Percent of Discount
1-3	60%
4	50%
5	40%
6	30%
7	20%
8-10	10%

For qualifications prior to and on or after October 1, 2004, Customers who reserve sales status shall be charged an additional \$0.1111 per Therm.

I. Excelsior Jobs Rate (EJR):

Customers who qualify, under the Excelsior Jobs Rate (EJR) in Section 36 of the General Information section of this Schedule, may have their service bills reduced for a term of no more than 10 years from initial certification from ESD. The reduction shall be in the form of a percentage discount, as stated below, reducing the rate for such qualified Therms in excess of the base amount established for each monthly billing period (as described in General Information Section 36 of this Schedule).

EJR Percentage Discounts, by year of participation, for all Areas, after qualification, after the certificate eligibility date:

Years	Percent of Discount
1-3	60%
4	50%
5	40%
6	30%
7	20%
8-10	10%

For qualifications prior to and on or after October 1, 2004, Customers who reserve sales status shall be charged an additional \$0.1111 per Therm.

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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Superseding Revision: 7

SERVICE CLASSIFICATION NO. 2

INTERRUPTIBLE TRANSPORTATION SERVICE

APPLICABLE TO THE USE OF SERVICE FOR:

Interruptible Transportation Service to existing sales service customers taking service under P.S.C. No. 87 Gas, or superseding issues thereof, or new customers. Any customer taking service hereunder must qualify for service under Service Classification No. 3 - Interruptible Sales Service.

CHARACTER OF SERVICE:

Transportation of Customer-owned, pipeline quality, natural gas will be on an interruptible basis from a receipt point within the Company's service territory to which this Schedule applies to the facilities at the Customer's existing delivery point, as specified in the Customer's Transportation Service Agreement. The Company will control the dispatch of such gas, and dispatch will be provided as requested by the Customer, in accordance with General Information Section 4.C. of this Schedule, provided, however, that acceptance of the Customer's application will be conditioned upon the availability of the Company's system capacity.

PRICE: (Per Month)

A Transportation Administration Charge, which includes the first 500 Therms of usage, and the price per Therm for usage in excess of 500 units will be determined monthly at the sole discretion of the Company. The Transportation Administration Charge will be \$100.00 plus the applicable price per Therm, multiplied by 500. A Bill Issuance Charge of \$0.81 per bill as described in PSC No. 88, General Information Section 32 will also apply. The price per Therm, over the term of the Service Agreement, will be not less than \$.00100 plus the applicable revenue taxes and not more than the applicable Firm Transportation Rate for customers NOT reserving "sales customer" status, as set forth under Service Classification No. 1, adjusted by the applicable surcharges and taxes. The Transportation Administration Charge and the price per Therm for the following characteristics of service will be established each month and stated on the effective Interruptible Transportation Rate Statement applicable to the appropriate rate area: Usage, Load Factor; Geographic Location; Alternate Fuel/Access to Alternate Fuel; Tax Exemption Status; and Other Market Conditions as specified on Interruptible Rate Statement.

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

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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Issued in compliance with Order in Case 15-G-0284, dated June 15, 2016

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Revision: 14
Superseding Revision: 12

SERVICE CLASSIFICATION NO. 2 (CONT'D)

INTERRUPTIBLE TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (Cont'd)

C. Research and Development (R&D) Adjustment:

The charges set forth herein will be subject to a R&D Adjustment per Therm of gas delivered as explained in Section 18 of P.S.C. No. 90 Gas, or superceding issues thereof.

NOTIFICATION OF PRICE:

The Interruptible Transportation Rate Statement will be filed with the PSC no later than three days before the effective date. Such statement will be readily accessible to the public.

MINIMUM CHARGE:

Shall be the Transportation Administration Charge plus the Bill Issuance Charge of \$0.81, if applicable.

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.

RATE ADJUSTMENT MECHANISM ("RAM"):

The RAM shall be applied per therm to all therms 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:

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.

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

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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Superseding Revision: 10

SERVICE CLASSIFICATION NO. 3 (CONT'D)

INCREMENTAL INTERRUPTIBLE TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (Cont'd)

A Customer that fails to meet the requirements set forth under Special Provisions - Distillate Fuel Customers and Special Provisions - Human Needs Customers of this service classification shall be assessed a premium equal to the greater of 130% of the applicable gas equivalent alternate fuel price or 130% of the otherwise applicable sales price less an estimate of the Customer's natural gas price, as determined by the Company, per therm. The premium shall be applied for the billing period during which noncompliance becomes known and for each subsequent billing period until the Customer has provided sufficient evidence, as determined by the Company, that it has fully complied with the requirements set forth under Special Provisions - Distillate Fuel Customers and Special Provisions - Human Needs Customers.

MINIMUM CHARGE:

\$125.00 per month, plus the Bill Issuance Charge of \$0.81 per bill, as applicable, and the applicable revenue taxes.

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:

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.

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

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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Leaf No. 68
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SERVICE CLASSIFICATION NO. 5

SMALL FIRM TRANSPORTATION SERVICE

APPLICABLE TO THE USE OF SERVICE FOR:

Small Firm Transportation Service to existing firm sales service customers or new firm customers with maximum quantities for transportation of less than 25,000 Dth per year when the Company has facilities available and adequate for the load.

CHARACTER OF SERVICE:

Transportation of Customer-owned, pipeline quality, natural gas shall be on a firm basis from a receipt point within the Company's service territory to which this Schedule applies to the facilities at the Customer's existing delivery point, as specified in the Customer's Transportation Service Agreement. The Company shall control the dispatch of such gas, and dispatch shall be provided as requested by the Customer, in accordance with General Information Section 4.C. of this Schedule, provided, however, that acceptance of the Customer's application shall be conditioned upon the availability of the Company's system capacity.

PRICE: (Per Month)

For firm retail customers who elect to replace their retail service with transportation service, the monthly price shall be the Transportation Administration Charge, which through September 30, 2008, includes the first 3 Therms or less, per meter, for the Owego, Lockport, Elmira, Combined and Binghamton Areas plus the transportation price applicable for each area, and the first 500 Therms or less, per meter, for all other areas, plus the transportation price applicable for the other areas. A monthly Bill Issuance Charge shall also apply. Effective October 1, 2008, the Transportation Administration Charge shall be the first 500 Therms or less, per meter, for all areas.

A. For Customers Who Do Not Wish to Reserve Their "Sales Customer" Status:

All Areas	Effective Date		
	07/01/16	05/01/17	05/01/18
Transportation Administration Charge First 500 Therms or less	\$304.84	\$330.51	\$357.39
Usage Charge (per Therm)			
Next 14,500 Therms	0.16899	0.18323	0.19813
Over 15,000 Therms	0.12000	0.12000	0.12000

Bill Issuance Charge (per bill): \$0.81, as described in P.S.C. No. 88, General Information Section 32.

PSC No: 88 - Gas

NEW YORK STATE ELECTRIC & GAS CORPORATION

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Leaf No. 69

Revision: 19

Superseding Revision: 17

SERVICE CLASSIFICATION NO. 5 (CONT'D)

SMALL FIRM TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

- B. For Customers Who Are Not Mandatory Capacity Release Customers and Do Wish to Reserve Their "Sales Customer" Status:

All Areas	Effective Date		
	07/01/16	05/01/17	05/01/18
Transportation Administration Charge First 500 Therms or less	\$360.39	\$386.06	\$412.94
Usage Charge (per Therm)			
Next 14,500 Therms	0.28009	0.29433	0.30923
Over 15,000 Therms	0.23110	0.23110	0.23110

Bill Issuance Charge (per bill): \$0.81, as described in P.S.C. No. 88, General Information Section 32.

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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Superseding Revision: 4

SERVICE CLASSIFICATION NO. 5 (CONT'D)

SMALL FIRM TRANSPORTATION SERVICE (CONT'D)

MINIMUM CHARGE:

Shall be the Transportation Administration Charge.

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 Rule 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:

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 4.E. of this Schedule.
- B. Daily imbalances, underruns and overruns under this service classification shall be calculated and reconciled as set forth in General Information Rule 4 of this Schedule.

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

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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SERVICE CLASSIFICATION NO. 5 (CONT'D)

SMALL FIRM TRANSPORTATION SERVICE (CONT'D)

SPECIAL PROVISIONS: (CONT'D)

H. Economic Development Zone Incentive (EDZI):

Customers who qualify, under the Economic Development Zone Incentive (EDZI) in Section 34 of the General Information section of this Schedule, to receive an incentive for usage qualified on or after 10/01/04 will have their service bills reduced for a term of 10 years following initial zone certification, beginning with the eligibility date on the zone certificate (unless the customer's initial zone certification becomes invalid), notwithstanding the expiration of the designation of an Economic Development Zone in the area where the customer is located. The reduction will be in the form of a percentage discount, as stated below, reducing the rate for such qualified Therms in excess of the base amount established for each monthly billing period (as described in General Information Section 34 of this Schedule).

EDZI Percentage Discounts, by year of participation, for all Areas, after qualification, after the certificate eligibility date:

Years	Percent of Discount
1-3	60%
4	50%
5	40%
6	30%
7	20%
8-10	10%

For qualifications prior to and on or after 10/01/04, Customers who reserve sales status will be charged an additional \$0.1111 per Therm.

As provided in General Information Section 34 of this Schedule, new service under this provision will no longer be available to customers on or after September 26, 2010. Customers will pay a monthly service bill at the rates and charges under the standard service classification rate.

PSC No: 88 - Gas

NEW YORK STATE ELECTRIC & GAS CORPORATION

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Leaf No. 73

Revision: 7

Superseding Revision: 5

SERVICE CLASSIFICATION NO. 6

TRANSPORTATION SERVICE FOR FUELING OF NATURAL GAS VEHICLES

APPLICABLE TO THE USE OF SERVICE FOR:

Service to any customer (already taking service under another service classification) for the sole purpose of fueling natural gas motor vehicles. Service shall be metered separately from all other service taken and is subject to restrictions as provided in the Special Provisions herein.

CHARACTER OF SERVICE:

Transportation of Customer-owned, pipeline quality, natural gas will be on a firm basis from a receipt point within the Company's service territory to which this Schedule applies to the facilities at the Customer's existing delivery point, as specified in the Customer's Transportation Service Agreement. The Company will control the dispatch of such gas, and dispatch will be provided as requested by the Customer, in accordance with General Information Section 4.C. of this Schedule, provided, however, that acceptance of the Customer's application will be conditioned upon the availability of the Company's system capacity.

PRICE: (Per Month)

A Transportation Administration Charge, which includes the first 500 Therms of usage, and the price per therm for usage in excess of 500 units will be determined monthly at the sole discretion of the Company. The Transportation Administration Charge will be \$99.30 plus the applicable price per therm, multiplied by 500. A Bill Issuance Charge of \$0.81 per bill, as described in General Information Section 32, will also apply. The price per therm will be not less than \$.01 plus the applicable revenue taxes. The Transportation Administration Charge and the price per therm for the following three categories of service will be established each month and stated on the effective Natural Gas Vehicle Transportation Rate Statement applicable to the appropriate rate area:

Category 6A - Customers who transport natural gas for use in fuel filling facilities owned or leased and operated by the Customer whose alternate fuel is Regular Unleaded Gasoline, or who have no alternate fuel.

Category 6B - Customers who transport natural gas for use in fuel filling facilities owned or leased and operated by the Customer whose alternate fuel is Propane.

Category 6C - Customers who transport natural gas for use in fuel filling facilities owned or leased and operated by the Customer whose alternate fuel is Diesel.

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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Leaf No. 78
Revision: 8
Superseding Revision: 6

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

PSC No: 88 - Gas
 NEW YORK STATE ELECTRIC & GAS CORPORATION
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Leaf No. 96
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 Superseding Revision: 14

SERVICE CLASSIFICATION NO. 13 (CONT'D)

RESIDENTIAL FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

All Areas	Effective Date		
	07/01/16	05/01/17	05/01/18
Transportation Administration Charge			
First 3 Therms or less (Non-Heating)	\$12.30	\$12.30	\$12.30
First 3 Therms or less (Heating)	\$16.30	\$16.30	\$16.30
Usage Charge (per Therm)			
Next 47 Therms	0.57893	0.61570	0.72809
Over 50 Therms	0.13601	0.15310	0.17105

Bill Issuance Charge (per bill): \$0.81, as described in P.S.C. No. 88, General Information Section 32.

If the provision of transportation service to the Customer requires the Company to engage the services of others, an amount reflecting the costs incurred by the Company shall be added to the prices reflected in Sections A. and B. of this service classification.

PSC NO: 88 GAS
COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION
INITIAL EFFECTIVE DATE: 07/01/16
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LEAF: 99
REVISION: 7
SUPERSEDING REVISION: 5

SERVICE CLASSIFICATION NO. 13 (CONT'D)

RESIDENTIAL FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

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 5.G. of this Schedule.

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 shall be the actual or estimated metered quantity.
- B. Metering and Balancing Provisions for Daily Metered Customers - Customers installing electronic telemetering shall be subject to daily balancing and shall be reconciled as set forth in General Information Rule 4 of this Schedule. The city-gate balancing tolerance shall be plus or minus 2%.
- C. Metering and Balancing Provisions for Non-Daily Metered Customers - The Company shall direct non-daily metered Aggregation Pool Operators to deliver the quantity of gas necessary to meet the daily requirements of each Aggregation Pool pursuant to Section 5.C. of this Schedule. Balancing of receipts and deliveries shall be pursuant to Section 5.D. of this Schedule.

PSC No: 88 - Gas
 NEW YORK STATE ELECTRIC & GAS CORPORATION
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Leaf No. 101
 Revision: 18
 Superseding Revision: 16

SERVICE CLASSIFICATION NO. 14

NON-RESIDENTIAL FIRM AGGREGATION TRANSPORTATION SERVICE

APPLICABLE TO THE USE OF SERVICE FOR:

Non-Residential Firm Aggregation Transportation Service to existing firm sales service customers or new firm customers with minimum aggregation quantities for transportation of greater than 5,000 Dth per year when the Company has facilities and capacity available and adequate for the load.

CHARACTER OF SERVICE:

Transportation of Customer-owned, pipeline quality, natural gas shall be on a firm basis from a receipt point within the Company's service territory to which this Schedule applies to the facilities at the Customer's existing delivery point. The Company shall control the dispatch of such gas, and dispatch shall be provided as requested by the Customer, in accordance with General Information Section 5.C. of this Schedule, provided, however, that acceptance of the Customer's application shall be conditioned upon the availability of the Company's system capacity.

Customers taking service under this service classification shall be segmented into two groups - those who are daily metered and those who are not. Aggregated pool groups shall be homogeneous with respect to customers who are daily or non-daily metered.

PRICE: (Per Month)

For customers who elect firm aggregation transportation service, the monthly price shall be the Transportation Administration Charge, which includes the first 3 Therms or less, per meter, plus the applicable transportation price plus the Bill Issuance Charge as described in General Information Section 32.

A. For Mandatory Capacity Release Customers or Customers Who Do Not Reserve Their "Sales Customer" Status:

All Areas	Effective Date		
	07/01/16	05/01/17	05/01/18
Transportation Administration Charge First 3 Therms or less	\$23.60	\$23.60	\$23.60
Usage Charge (per Therm)			
Next 497 Therms	0.36687	0.40235	0.43958
Next 14,500 Therms	0.21134	0.23179	0.25323
Over 15,000 Therms	0.13000	0.14257	0.15577

Bill Issuance Charge (per bill): \$0.81, as described in P.S.C. No. 88, General Information Section 32.

PSC No: 88 - Gas

NEW YORK STATE ELECTRIC & GAS CORPORATION

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SERVICE CLASSIFICATION NO. 14 (CONT'D)

NON-RESIDENTIAL FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

Reserved for Future Use

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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Superseding Revision: 15

SERVICE CLASSIFICATION NO. 14 (CONT'D)

NON-RESIDENTIAL FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

- B. For Customers Who Are Not Mandatory Capacity Release Customers and Do Wish to Reserve Their "Sales Customer" Status:

All Areas	Effective Date		
	07/01/16	05/01/17	05/01/18
Transportation Administration Charge First 3 Therms or less	\$23.93	\$23.93	\$23.93
Usage Charge (per Therm)			
Next 497 Therms	0.47797	0.51345	0.55068
Next 14,500 Therms	0.32244	0.34289	0.36433
Over 15,000 Therms	0.24110	0.25367	0.26887

Bill Issuance Charge (per bill): \$0.81, as described in P.S.C. No. 88, General Information Section 32.

PSC NO: 88 GAS
COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION
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SERVICE CLASSIFICATION NO. 14 (CONT'D)

NON-RESIDENTIAL FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

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 5.G. of this Schedule.

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 shall be the actual or estimated metered quantity.
- B. Metering and Balancing Provisions for Daily Metered Customers - Customers installing electronic telemetering shall be subject to daily balancing and shall be reconciled as set forth in General Information Rule 4 of this Schedule. The city-gate balancing tolerance shall be plus or minus 2%.
- C. Metering and Balancing Provisions for Non-Daily Metered Customers - The Company shall direct non-daily metered Aggregation Pool Operators to deliver the quantity of gas necessary to meet the daily requirements of each Aggregation Pool pursuant to Section 5.C. of this Schedule. Balancing of receipts and deliveries shall be pursuant to Section 5.D. of this Schedule.

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
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SERVICE CLASSIFICATION NO. 14 (CONT'D)

NON-RESIDENTIAL FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

SPECIAL PROVISIONS: (CONT'D)

G. Economic Development Zone Incentive (EDZI)

Customers who qualify, under the Economic Development Zone Incentive (EDZI) in Section 34 of the General Information section of this Schedule, to receive an incentive for usage qualified on or after 10/01/04 will have their service bills reduced for a term of ten (10) years following initial zone certification, beginning with the eligibility date on the zone certificate (unless the customer's initial zone certification becomes invalid), notwithstanding the expiration of the designation of an Economic Development Zone in the area where the customer is located. The reduction will be based on the following discount rates by Area for such qualified Therms in excess of the base amount established for each monthly billing period (as described in General Information Section 34 of this Schedule).

PSC No: 88 - Gas
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SERVICE CLASSIFICATION NO. 15 (CONT'D)

BASIC ELECTRIC GENERATION TRANSPORTATION SERVICE

SERVICE AGREEMENT: (CONT'D)

The Transportation Service Agreement shall contain and specify all terms and conditions necessary for the Company to provide service to the Customer including, but not limited to:

- A. The term of service, including provisions for extension and termination of service.
- B. The exact character of service, including gas quantities, delivery pressures, and date service is to commence.
- C. All incremental facilities required to provide service and any necessary financial guarantees regarding recovery of such investment costs.
- D. An explanation of charges to be paid for services rendered.
- E. Provisions under which interruption can occur.
- F. Treatment of hourly, daily and monthly imbalances.

PRICE:

The specific charges for service under this service classification shall be stated in an addendum to the Transportation Service Agreement executed for each Customer served hereunder. The stated price for this service classification contained in any Transportation Service Agreement shall include the following:

- A. Contribution to overall system costs of \$0.01 per therm, including \$0.81 of bill issuance costs per bill (if applicable); plus
- B. An amount to cover marginal system costs reflecting the long-run incremental costs of building transmission and high capacity distribution of \$.011 per therm; plus

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

SERVICE CLASSIFICATION NO. 16 (CONT'D)

**NON-RESIDENTIAL DISTRIBUTED GENERATION
 FIRM TRANSPORTATION SERVICE (CONT'D)**

PRICE (per month):

Gas Delivery Charges:

Effective 07/01/2016:

A.	Small DG Customer – DG < 5 MW	<u>Summer</u> <u>April–October</u>	<u>Winter</u> <u>November–March</u>
1)	Using 0 to 40,000 Therms/year		
	Basic Service Charge:		
	First 3 Therms or less	\$23.60	\$23.60
	Bill Issuance Charge (per bill)	0.81	0.81
	Usage Charge: (per Therm)		
	Next 497 Therms	0.17880	0.15295
	Next 14,500 Therms	0.10191	0.08811
	Over 15,000 Therms	0.06319	0.05420
2)	Using 40,001 to 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$304.84	\$304.84
	Bill Issuance Charge (per bill)	0.81	0.81
	Usage Charge: (per Therm)		
	Next 14,500 Therms	0.08993	0.07702
	Over 15,000 Therms	0.06299	0.05469
3)	Using > 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$1,405.24	\$1,405.24
	Bill Issuance Charge (per bill)	0.81	0.81
	Usage Charge: (per Therm)		
	Next 14,500 Therms	0.10899	0.08625
	Next 35,000 Therms	0.05647	0.04647
	Over 50,000 Therms	0.05272	0.04359
B.	Large DG customer – DG 5 MW - <50 MW		
1)	Basic Service Charge:		
	First 500 Therms or less	\$1,405.24	\$1,405.24
	Bill Issuance Charge (per bill)	0.81	0.81
	Demand Charge: (per Therm of demand)		
	For MDQ over 23 Therms	1.0000	1.0000
	Usage Charge: (per Therm)		
	All Therms over 500	0.01609	0.01318

PSC No: 88 - Gas

NEW YORK STATE ELECTRIC & GAS CORPORATION

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SERVICE CLASSIFICATION NO. 16 (CONT'D)

**NON-RESIDENTIAL DISTRIBUTED GENERATION
FIRM TRANSPORTATION SERVICE (CONT'D)**

PRICE (per month): (CONT'D)

Gas Delivery Charges: (Cont'd)

Effective 05/01/2017:

		<u>Summer</u>	<u>Winter</u>
		<u>April-October</u>	<u>November-March</u>
A.	Small DG Customer – DG < 5 MW		
1)	Using 0 to 40,000 Therms/year		
	Basic Service Charge:		
	First 3 Therms or less	\$23.60	\$23.60
	Bill Issuance Charge (per bill)	0.81	0.81
	Usage Charge: (per Therm)		
	Next 497 Therms	0.19619	0.16774
	Next 14,500 Therms	0.11175	0.09663
	Over 15,000 Therms	0.06912	0.05944
2)	Using 40,001 to 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$330.51	\$330.51
	Bill Issuance Charge (per bill)	0.81	0.81
	Usage Charge: (per Therm)		
	Next 14,500 Therms	0.09750	0.08351
	Over 15,000 Therms	0.06299	0.05469
3)	Using > 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$1,561.10	\$1,561.10
	Bill Issuance Charge (per bill)	0.81	0.81
	Usage Charge: (per Therm)		
	Next 14,500 Therms	0.12111	0.09581
	Next 35,000 Therms	0.06275	0.05162
	Over 50,000 Therms	0.05273	0.04359
B.	Large DG customer – DG 5 MW - <50 MW		
1)	Basic Service Charge:		
	First 500 Therms or less	\$1,561.10	\$1,561.10
	Bill Issuance Charge (per bill)	0.81	0.81
	Demand Charge: (per Therm of demand) For MDQ over 23 Therms	1.07000	1.07000
	Usage Charge: (per Therm)		
	All Therms over 500	0.01718	0.01406

Issued by: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY

PSC No: 88 - Gas
 NEW YORK STATE ELECTRIC & GAS CORPORATION
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Leaf No. 113.2
 Revision: 3
 Superseding Revision: 1

SERVICE CLASSIFICATION NO. 16 (CONT'D)

**NON-RESIDENTIAL DISTRIBUTED GENERATION
 FIRM TRANSPORTATION SERVICE (CONT'D)**

PRICE (per month): (CONT'D)

Gas Delivery Charges: (Cont'd)

Effective 05/01/2018:

A.	Small DG Customer – DG < 5 MW	<u>Summer</u> <u>April–October</u>	<u>Winter</u> <u>November–March</u>
1)	Using 0 to 40,000 Therms/year		
	Basic Service Charge:		
	First 3 Therms or less	\$23.60	\$23.60
	Bill Issuance Charge (per bill)	0.81	0.81
	Usage Charge: (per Therm)		
	Next 497 Therms	0.21424	0.18326
	Next 14,500 Therms	0.12211	0.10558
	Over 15,000 Therms	0.07572	0.06494
2)	Using 40,001 to 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$357.39	\$357.39
	Bill Issuance Charge (per bill)	0.81	0.81
	Usage Charge: (per Therm)		
	Next 14,500 Therms	0.10539	0.09030
	Over 15,000 Therms	0.06307	0.05469
3)	Using > 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$1,723.55	\$1,723.55
	Bill Issuance Charge (per bill)	0.81	0.81
	Usage Charge: (per Therm)		
	Next 14,500 Therms	0.13277	0.10578
	Next 35,000 Therms	0.06924	0.05699
	Over 50,000 Therms	0.05284	0.04359
B.	Large DG customer – DG 5 MW - <50 MW		
1)	Basic Service Charge:		
	First 500 Therms or less	\$1,723.55	\$1,723.55
	Bill Issuance Charge (per bill)	0.81	0.81
	Demand Charge: (per Therm of demand)		
	For MDQ over 23 Therms	1.15000	1.15000
	Usage Charge: (per Therm)		
	All Therms over 500	0.01840	0.01507

PSC NO. 88 Gas

NEW YORK STATE ELECTRIC & GAS CORPORATION

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SERVICE CLASSIFICATION NO. 16 (CONT'D)

**NON-RESIDENTIAL DISTRIBUTED GENERATION
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, shall be increased by a surcharge pursuant to General Information Rule 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 4.N. of this Schedule.

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.

TERM:

The term that a customer may be on this service classification is one year with one-year renewals thereafter, pursuant to the Transportation Service Agreement. Renewals shall only be provided if the customer maintains at least a 50% load factor unless there are mitigating circumstances as determined by the Company. The Company shall review the customer usage annually beginning with the anniversary of the commercial operation of the customer's DG unit and advise the customer if the load factor falls below 50%. If the load factor falls below 50%, the customer shall be removed from this rate for a period of 12 months, after which time they may reapply, provided they have achieved a 50% load factor over the 12-month period while not receiving service pursuant to this service classification.

SPECIAL PROVISIONS:

- A. Separate service lines for DG usage and non-DG usage shall not be required. However, if existing services and upstream distribution facilities are inadequate, the customer shall be responsible for all incremental costs incurred by the Company. DG customers shall be charged for additional facilities pursuant to the Company's existing rules set forth in P.S.C. No. 90 Gas, or superseding issues thereof.
- B. DG customers >5 MW but < 50 MW are responsible for ensuring a Company approved method of communication with the daily meter reading device, and that a suitable space for such equipment is provided and maintained. The customer shall reimburse the Company for the cost and expense of newly installed daily metering equipment, including communication service. Information regarding metering options is set forth in the Gas Transportation Operating Procedures Manual.
- C. DG rates pursuant to this service classification shall apply only to DG usage. Non-DG gas use shall be measured and billed separately and not under this service classification.
- D. Where multiple units are installed at one location, the total sum of all the unit nameplates (values rating) metered through one meter shall govern the service classification that shall apply.

Issued by: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY

SERVICE CLASSIFICATION NO. 18

DOMINION CITYGATE SWING CUSTOMER BALANCING SERVICE (CONT'D)

CONDITIONS OF SERVICE (CONT'D.):

3. Capacity Requirements (Cont'd)

g) Term of Release

Releases of capacity pursuant to this CSC Balancing Service Classification shall be made in accordance with the DTI FERC tariff.

h) Pipeline and Regulatory Requirements

Aggregation Pool Operators to whom capacity is to be, or has been, released pursuant to this CSC Balancing Service shall cooperate with the Company, meet all applicable requirements of the respective pipelines and governmental entities having jurisdiction over the relevant assets, and make all required payments to the respective pipelines.

4. Amount of Gas to be Delivered

The Aggregation Pool Operator is expected to achieve a balance between its deliveries and the consumption of gas by the Customers within its Aggregation Pool. The Aggregation Pool Operator shall determine the amount of gas to be delivered to the Company's citygate. On a daily basis, the imbalance between the amount of gas nominated and delivered to the Company's citygates on a scheduled basis, and the calculated consumption for the Customers within the Aggregation Pool Operator's Aggregation Pool, multiplied by the factor of adjustment stated in General Information Rule 18.F., Allowance For Losses, of this Schedule, must be within the Aggregation Pool Operator's entitlements under its CSC Balancing Service contract with DTI.

5. Calculation and Reporting of Daily Usage

After the close of each gas Day, the Company shall calculate an estimated total usage for each Aggregation Pool for that gas Day, based upon the weather that actually occurred during the gas Day. The Aggregation Pool Operator's CSC measurement shall be reported to the Aggregation Pool Operator and to DTI by 5:00 p.m. after the close of each gas day.

PSC NO. 88 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 07/01/16
Issued in compliance with Order in Case 15-G-0284, dated June 15, 2016

Leaf No: 126
Revision: 8
Superseding Revision: 6

SERVICE CLASSIFICATION NO. 19 (CONT'D)

RESIDENTIAL DISTRIBUTED GENERATION FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

PRICE: (Per Month) (CONT'D)

A. For All Customers:

For All Areas	Effective Date		
	07/01/16	05/01/17	05/01/18
Transportation Administration Charge First 3 Therms or less	\$16.30	\$16.30	\$16.30
Usage Charge (Over 3 Therms)	0.19285	0.21708	0.24245

Bill Issuance Charge (per bill): \$0.81, as described in P.S.C. No. 88, General Information Section 32.

B. Research and Development (R&D) Adjustment:

The charges set forth herein will be subject to an R&D Adjustment per Therm of gas delivered as explained in Section 18 of P.S.C. No. 90 Gas, or superseding issues thereof.

PSC NO. 88 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 07/01/16
Issued in compliance with Order in Case 15-G-0284, dated June 15, 2016

Leaf : 128
Revision: 4
Superseding Revision: 2

SERVICE CLASSIFICATION NO. 19 (CONT'D)

RESIDENTIAL DISTRIBUTED GENERATION FIRM AGGREGATION TRANSPORTATION SERVICE (CONT'D)

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 5.G. of this Schedule.

GENERAL TERMS AND CONDITIONS OF SERVICE:

One year, and thereafter until discontinued upon three days' notice.

SPECIAL PROVISIONS:

- A. The quantity to be billed under this service classification shall be the actual or estimated metered quantity.
- B. Metering and Balancing Provisions for Non-Daily Metered Customers - The Company shall direct non-daily metered Aggregation Pool Operators to deliver the quantity of gas necessary to meet the daily requirements of each Aggregation Pool pursuant to Section 5.C. of this Schedule. Balancing of receipts and deliveries shall be pursuant to Section 5.D. of this Schedule.

PSC No: 88 - Gas
New York State Electric and Gas Corporation
Initial Effective Date: July 1, 2016
Issued in compliance with Order in Case 15-G-0284 dated June 15, 2016

Statement Type: DISC
Statement No. 12

Purchase of ESCO Accounts Receivable (POR) Discount

Gas accounts receivable will be purchased at a discount off face value of the ESCO receivable.

Discount	3.66%
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