PSC No: 87 - Gas NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: 04/01/14 Effective date POSTPONED to 06/01/14. See Supplement No. 23 Effective date POSTPONED to 07/01/14. See Supplement No. 24 Effective date POSTPONED to 08/01/14. See Supplement No. 25 Leaf No. 11 Revision: 5 Superseding Revision: 4

GENERAL INFORMATION

3. INCREASE IN RATES AND CHARGES APPLICABLE WHERE SERVICE IS SUPPLIED: (CONT'D)

The applicable aggregate percentage rate and surcharge factor shall be set forth on a statement (Tax Surcharge Percentages Statement or "TSP Statement") filed with the Public Service Commission. Whenever the legislature, city, village or any other governmental authority levies a new tax on the Company, repeals such tax, or changes the rate of such tax, the Company will file a new statement.

Every such statement shall be filed not less than 15 business day before the date on which the statement is proposed to be effective, and no sooner than the date of the tax enactment to which the statement responds; shall become effective no sooner than the date when the tax enactment is filed with the Secretary of State; shall be applicable to bills subject to the tax enactment that are rendered on or after the effective date of the statements; and shall be canceled not more than five business days after the tax enactment either ceases to be effective or is modified so as to reduce the tax rate.

Such statement will be duly filed with the Public Service Commission, apart from this rate Schedule, and will be readily accessible to the public.

4. CONDITIONS OF GAS SERVICE:

Continuing until further order of the PSC, new gas customers will be connected and increased gas will be supplied to existing customers in accordance with Section 10 of PSC No. 90 Gas, or superseding issues thereof.

5. TRANSFER OF GAS:

Customers, including commercial and industrial, eligible for gas transfer within the supplier system are required to pay for the installation of new main extensions and/or new service laterals if not in existence at the new location.

(For uniform regulations, refer to PSC No. 90 Gas, or superseding issues thereof.)

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