

SERVICE CLASSIFICATION NO. 16
NON-RESIDENTIAL DISTRIBUTED GENERATION FIRM TRANSPORTATION SERVICE

APPLICABLE TO THE USE OF SERVICE FOR:

Firm Transportation Service to any new or existing gas fueled distributed generation (DG) facility that represents generating units designed to provide electricity to a single customer or specific customers within a defined geographical location with generating capacity of less than 50 Megawatts (MW) that maintains a load factor of 50% or more. (Load factor is defined herein as annual usage divided by the (peak winter day demand times 365 days).) Customer shall have executed a Transportation Service Agreement with the Company. Such distributed generation facilities may include, but not be limited to, reciprocating engines, steam turbines, gas turbines and emerging gas technologies such as fuel cells and microturbines. Service under this service classification is available throughout the Company's service territory to which this Schedule applies, providing the Company has facilities available and adequate for the load.

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 delivery point, as specified in the Customer's Transportation Service Agreement. An ESCO serving Mandatory Capacity Release Customers under this service classification shall be required to take primary point capacity from NYSEG.

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 on the availability of the Company's system capacity.

Gas service provided hereunder shall be daily metered and billed separately from gas service provided under any other service classification of the Company, and the use of gas measured by this separate meter for other than the above-described use is expressly prohibited.

Issued in Compliance with order in case 07-G-0299 dated August 30, 2007

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

SERVICE CLASSIFICATION NO. 16 (CONT'D)

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

PRICE (per month): (CONT'D)

Gas Delivery Charges: The Delivery Charge that appears on the customer's bill is the sum of the per therm rate plus the Make-Whole Rate.

Effective: 11/01/2023

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	\$32.00	\$32.00
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Usage Charge: (per Therm)		
	Next 497 Therms	\$0.16036	\$0.18971
	Next 14,500 Therms	\$0.09703	\$0.11263
	Over 15,000 Therms	\$0.06236	\$0.07215
2)	Using 40,001 to 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$446.74	\$446.74
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.07971	\$0.09383
	Over 15,000 Therms	\$0.05582	\$0.06600
3)	Using > 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$2,800.00	\$2,800.00
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.10371	\$0.12933
	Next 35,000 Therms	\$0.05611	\$0.06832
	Over 50,000 Therms	\$0.04310	\$0.05268
B.	Large DG customer – DG 5 MW - <50 MW		
1)	Basic Service Charge:		
	First 500 Therms or less	\$2,800.00	\$2,800.00
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Demand Charge: (per Therm of demand)		
	For MDQ over 23 Therms	\$1.06000	\$1.06000
	Usage Charge: (per Therm)		
	All Therms over 500	\$0.01410	\$0.01726

PSC No: 88 - Gas
 NEW YORK STATE ELECTRIC & GAS CORPORATION
 Initial Effective Date: 11/01/2023
 Issued in compliance with Order in Case No. 22-G-0318, dated October 12, 2023.

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 Superseding Revision: 17

SERVICE CLASSIFICATION NO. 16 (CONT'D)

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

PRICE (per month): (CONT'D)

Effective: 05/01/2024

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	\$33.28	\$33.28
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Usage Charge: (per Therm)		
	Next 497 Therms	\$0.17039	\$0.20158
	Next 14,500 Therms	\$0.10298	\$0.11953
	Over 15,000 Therms	\$0.06606	\$0.07643
2)	Using 40,001 to 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$464.61	\$464.61
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.08489	\$0.09992
	Over 15,000 Therms	\$0.05937	\$0.07022
3)	Using > 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$3,050.00	\$3,050.00
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.10849	\$0.13524
	Next 35,000 Therms	\$0.05870	\$0.07144
	Over 50,000 Therms	\$0.04508	\$0.05510
B.	Large DG customer – DG 5 MW - <50 MW		
1)	Basic Service Charge:		
	First 500 Therms or less	\$3,050.00	\$3,050.00
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Demand Charge: (per Therm of demand)		
	For MDQ over 23 Therms	\$1.11000	\$1.11000
	Usage Charge: (per Therm)		
	All Therms over 500	\$0.01475	\$0.01806

Issued by: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

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: 05/01/25

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	\$34.56	\$34.56
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Usage Charge: (per Therm)		
	Next 497 Therms	\$0.18092	\$0.21407
	Next 14,500 Therms	\$0.10930	\$0.12689
	Over 15,000 Therms	\$0.07007	\$0.08109
2)	Using 40,001 to 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$482.48	\$482.48
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.09037	\$0.10637
	Over 15,000 Therms	\$0.06318	\$0.07474
3)	Using > 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$3,325.00	\$3,325.00
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.11333	\$0.14131
	Next 35,000 Therms	\$0.06132	\$0.07464
	Over 50,000 Therms	\$0.04710	\$0.05756
B.	Large DG customer – DG 5 MW - <50 MW		
1)	Basic Service Charge:		
	First 500 Therms or less	\$3,325.00	\$3,325.00
	Bill Issuance Charge (per bill)	\$0.89	\$0.89
	Demand Charge: (per Therm of demand)		
	For MDQ over 23 Therms	\$1.16000	\$1.16000
	Usage Charge: (per Therm)		
	All Therms over 500	\$0.01541	\$0.01887

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: Make-Whole Rates
Effective: 11/01/2023

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	\$0.00	\$0.00
	Usage Charge: (per Therm)		
	Next 497 Therms	\$0.00411	\$0.00486
	Next 14,500 Therms	\$0.00412	\$0.00477
	Over 15,000 Therms	\$0.00411	\$0.00476
2)	Using 40,001 to 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$0.00	\$0.00
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.00382	\$0.00450
	Over 15,000 Therms	\$0.00382	\$0.00452
3)	Using > 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$255.31	\$255.31
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.00301	\$0.00376
	Next 35,000 Therms	\$0.00142	\$0.00172
	Over 50,000 Therms	\$0.00111	\$0.00136
B.	Large DG customer – DG 5 MW - <50 MW		
1)	Basic Service Charge:		
	First 500 Therms or less	\$255.31	\$255.31
	Demand Charge: (per Therm of demand)		
	For MDQ over 23 Therms	\$0.03000	\$0.03000
	Usage Charge: (per Therm)		
	All Therms over 500	\$0.00037	\$0.00047

Effective May 1, 2026, the Make-Whole Rate shall expire and the Delivery Charge that appears on the customer's bill shall not include the Make-Whole Rate.

Issued by: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 88 - Gas
 NEW YORK STATE ELECTRIC & GAS CORPORATION
 Initial Effective Date: 11/01/2023
 Issued in compliance with Order in Case No. 22-G-0318, dated October 12, 2023.

Leaf No. 113.2.1
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SERVICE CLASSIFICATION NO. 16 (CONT'D)

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

PRICE (per month): (CONT'D)

Make-Whole Rates

Effective: 05/01/2024

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	\$0.00	\$0.00
	Usage Charge: (per Therm)		
	Next 497 Therms	\$0.00000	\$0.00000
	Next 14,500 Therms	\$0.00000	\$0.00000
	Over 15,000 Therms	\$0.00000	\$0.00000
2)	Using 40,001 to 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$0.00	\$0.00
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.00000	\$0.00000
	Over 15,000 Therms	\$0.00000	\$0.00000
3)	Using > 250,000 Therms/year		
	Basic Service Charge:		
	First 500 Therms or less	\$0.00	\$0.00
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.00000	\$0.00000
	Next 35,000 Therms	\$0.00000	\$0.00000
	Over 50,000 Therms	\$0.00000	\$0.00000
B.	Large DG customer – DG 5 MW - <50 MW		
1)	Basic Service Charge:		
	First 500 Therms or less	\$0.00	\$0.00
	Demand Charge: (per Therm of demand)		
	For MDQ over 23 Therms	\$0.00	\$0.00
	Usage Charge: (per Therm)		
	All Therms over 500	\$0.00	\$0.00

Effective May 1, 2026, the Make-Whole Rate shall expire and the Delivery Charge that appears on the customer's bill shall not include the Make-Whole Rate.

Issued by: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

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)

Make-Whole Rates

Effective: 05/01/2025

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	\$0.00	\$0.00
	Usage Charge: (per Therm)		
	Next 497 Therms	\$0.00000	\$0.00000
	Next 14,500 Therms	\$0.00000	\$0.00000
	Over 15,000 Therms	\$0.00000	\$0.00000
2)	Using 40,001 to 250,000 Therms/year Basic Service Charge: First 500 Therms or less	\$0.00	\$0.00
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.00000	\$0.00000
	Over 15,000 Therms	\$0.00000	\$0.00000
3)	Using > 250,000 Therms/year Basic Service Charge: First 500 Therms or less	\$0.00	\$0.00
	Usage Charge: (per Therm)		
	Next 14,500 Therms	\$0.00000	\$0.00000
	Next 35,000 Therms	\$0.00000	\$0.00000
	Over 50,000 Therms	\$0.00000	\$0.00000
B.	Large DG customer – DG 5 MW - <50 MW		
1)	Basic Service Charge: First 500 Therms or less	\$0.00	\$0.00
	Demand Charge: (per Therm of demand) For MDQ over 23 Therms	\$0.00	\$0.00
	Usage Charge: (per Therm) All Therms over 500	\$0.00000	\$0.00000

Effective May 1, 2026, the Make-Whole Rate shall expire and the Delivery Charge that appears on the customer's bill shall not include the Make-Whole Rate.

Issued by: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 88 - Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: January 17, 2018
Issued in compliance with Order in Case No. 09-M-0311, dated 12/19/17.

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Superseding Revision: 2

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)

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

The charges set forth herein shall be subject to a R&D Adjustment per Therm of gas delivered as explained in Section 18 of PSC No. 90 Gas, or superseding issues thereof.

D. Transition Surcharge (TS):

Customers in all areas shall also be charged the applicable Transition Surcharge (TS) pursuant to General Information Section 16 of PSC No. 90 Gas, or superseding issues thereof, for all Therm use.

E. Reserved for Future Use

F. System Benefits Charge (SBC):

Customers in all areas shall also be charged the System Benefits Charge (SBC) pursuant to General Information Section 20 of PSC No. 90 Gas, or superseding issues thereof, for all Therm use.

MINIMUM CHARGE (per month):

For all areas, the Minimum Charge is the Basic Service Charge, per meter, plus the Bill Issuance Charge, per bill. Additionally, for a large DG customer, the Minimum Charge shall also include the Demand Charge per therm of Maximum Daily Transportation Quantity (MDTQ), excluding the portion included in the Basic Service Charge. The Minimum Charge shall appear on the Customer's bill whether or not any gas was used during the billing period.

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 therm to all therms delivered under this Service Classification (as explained in this Schedule, General Information Rule 37). See RAM Statement.

EARNINGS ADJUSTMENT MECHANISM (EAM):

The EAM shall be applied per therm delivered under this Service Classification, (as explained in PSC No. 90 General Information Rule 26). The rate shall be set forth on the EAM Statement.

NON-PIPE ALTERNATIVE (NPA) SURCHARGE:

The NPA Surcharge shall be applied per therm delivered under this Service Classification, (as explained in PSC No. 90 General Information Rule 27). The rate shall be set forth on the NPA 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.

SERVICE CLASSIFICATION NO. 16 (CONT'D)

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

SPECIAL PROVISIONS: (CONT'D)

- E. The Company is under no obligation to deliver gas to the Customer on any day in excess of the quantity of Customer-owned gas received by the Company on that day. Any such deliveries in excess of receipts by the Company of Customer-owned gas are subject to unauthorized overrun penalties or interruption in accordance with General Information Sections 10 and 8 of this Schedule, respectively.
- F. For large DG Customers, daily imbalances, underruns and overruns under this service classification will be calculated and reconciled as set forth in General Information Section 4 of this Schedule. For small DG Customers, daily imbalances, underruns and overruns under this service classification will be calculated and reconciled as set forth in General Information Section 5 of this Schedule.
- G. Firm Transportation Service will 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 (3) months. If deliveries are not commenced within the three-month period, the available capacity will be released for the use of the other applicants.
- H. A Transportation Service Agreement shall be signed by both parties in the form set forth in General Information Section 13 of this Schedule.
- I. Customers electing service under this service classification are subject to the Upstream Capacity Requirements set forth in General Information Section 4.P. of this Schedule.
- J. Rates established herein are ceilings which are fixed for at least three years.

Issued in compliance with order in Case 02-M-0515 dated 12/03/03.

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