SERVICE CLASSIFICATION NO. 14

APPLICABLE TO USE OF SERVICE FOR:

Withdrawable transportation of gas which is used to fuel an electric generation facility having dual fuel capability and a capacity of 50 MegaWatts or greater (hereinafter referred to as the "customer") which is located adjacent to the Company's existing gas distribution mains having adequate capacity to supply the customer's prospective requirements, in addition to the requirements of other present or prospective customers taking firm, withdrawable or interruptible service from such distribution mains or who agree to pay to the Company the cost of all service lines, main extensions, measuring and regulating equipment and system reinforcements necessary for the Company to provide service hereunder and which agrees to:

(a) discontinue use of gas, in whole or in part, at customer's facility being served hereunder at the Company's request on not less than two hours notice, such interruption may be consecutively or non-consecutively for a maximum term of up to 720 hours (30 equivalent days) in any year;

(b) install and maintain facilities, acceptable to the Company, for using alternate fuels during periods in which the Company requires the customer to discontinue service;

(c) install the necessary electronic equipment, acceptable to the Company, which allows the Company to monitor the customer's daily usage of gas, including separate metering for gas used for ignition and/or space heating purposes which shall be billed under the applicable firm transportation or firm sales service classification; and

(d) not use service supplied hereunder in any equipment which is supplied with gas service under any other Service Classification of this Schedule.

The Company reserves the right to inspect equipment installed under (b) and (c) above prior to the commencement of service hereunder.

CHARACTER OF SERVICE:

Withdrawable transportation of natural gas owned by a customer which the customer has arranged to have transported to a delivery point at the boundary of the Company’s service area. Such gas will be transported from such point to the customer's facility. The Company shall control the dispatch of such gas, and dispatch will be provided as requested by the customer, except that the volume of gas delivered shall be conditioned upon the availability of pipeline capacity as provided for above under APPLICABLE TO USE OF SERVICE FOR.
SERVICE AGREEMENT:

The Company and customer shall execute a service agreement prior to the commencement of service hereunder. A standard service agreement shall include all terms and conditions contained in this Service Classification. The Company may, at its sole discretion, enter into a negotiated service agreement with the customer which includes different terms and conditions. Rates and terms offered to one customer in a negotiated service agreement will be made available to other similarly situated customers on a non-discriminatory basis. The Company will make available, on request, the criteria it will use to determine which customers are similarly situated. Negotiated service agreements between the Company and its customers will be filed with the Commission at least 30 days before becoming effective.

The service agreement shall contain all information necessary for the Company to supply service to the customer, including but not limited to:

(a) the exact character of service including volumes, pressures and customer's equipment to be served;
(b) receipt and/or delivery points, upstream pipelines and suppliers;
(c) additional facilities to be constructed or installed;
(d) the maximum annual volume as calculated under MINIMUM ANNUAL BILL below; and
(e) all terms and conditions which deviate from those contained in this Service Classification.

RATE - MONTHLY:

(1) Transportation Charge
A Transportation Charge of $0.10 per Dth shall be assessed on all gas actually delivered to the electric generating facility each day during the month to or for the account of customer.

(2) Marginal Cost Charge
A Marginal Cost Charge of $0.05 per Dth shall be assessed on the gas actually delivered each month.

(3) Value Added Charge ("VAC")
A Value Added Charge per Dth shall be assessed on the gas actually delivered each month. The VAC shall consist of an Estimated Value Added Charge plus a Reconciliation Adjustment. The VAC shall be determined as set forth below.
SERVICE CLASSIFICATION NO. 14 (Cont'd.)

RATE - MONTHLY: (Continued)

(3) Value Added Charge ("VAC") (Continued)

DEFINITIONS

Actual Value Added Charge - The Value Added Charges that the customer would have been billed during the Effective Period if the Value Added Charge had been calculated based on the actual Spark Spreads during the Effective Period. The Actual Value Added Charge includes the prior period Reconciliation Adjustment.

Base Year - The first full year of the operation of the New York Independent System Operator ("NYISO") starting December 1, 1999.

Base Year Spark Spread - The simple average of the Spark Spread for all 8,784 hours of the Base Year. The Base Year Spark Spread for each respective Heat Rate Tier Level is as follows:

<table>
<thead>
<tr>
<th>Tier</th>
<th>Spark Spread</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>$(34.78)</td>
</tr>
<tr>
<td>Tier 2</td>
<td>$(6.76)</td>
</tr>
<tr>
<td>Tier 3</td>
<td>$(2.45)</td>
</tr>
<tr>
<td>Tier 4</td>
<td>$ 8.76</td>
</tr>
</tbody>
</table>

Customer's Heat Rate - The Heat rate expressed in MMBtu/MWH in the Heat Rate Tier Level that applies to the customer's equipment.

Customer's MWH Generated Output - The hourly Dth consumption divided by the customer's heat rate expressed in MWH.

Daily Market Gas Cost - The Daily Market Gas Cost per Dth is the market cost of gas reported in Platt's "Gas Daily" for Transco Zone 6 (NY) or, if gas is delivered to the Company's system from another gas pipeline, the cost of gas as reported in the Gas Daily for that pipeline delivery point. Such cost of gas shall be the average of the midpoint and the high price for the day of flow.

Effective Period - The period May 1st through April 30th of the following year.

Fuel Cost of Generation - The applicable Daily Market Gas Cost multiplied by the customer's Heat Rate Tier Level expressed in $/MWH.

Issued By: Timothy Cawley, President, Pearl River, New York
(Name of Officer, Title, Address)
SERVICE CLASSIFICATION NO. 14 (Cont'd.)

RATE - MONTHLY: (Continued)

(3) Value Added Charge ("VAC") (Continued)

DEFINITIONS (Continued)

Heat Rate Tier Level - the heat rate tier level based on the technology of the unit:

<table>
<thead>
<tr>
<th>Tier</th>
<th>Heat Rate (MMBTU/MWH)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>17.5</td>
<td>Old simple cycle peaking units that commenced operation prior to December 31, 1998</td>
</tr>
<tr>
<td>Tier 2</td>
<td>11.0</td>
<td>Rankine cycle steam units</td>
</tr>
<tr>
<td>Tier 3</td>
<td>10.0</td>
<td>New simple cycle peaking units</td>
</tr>
<tr>
<td>Tier 4</td>
<td>7.4</td>
<td>Combination cycle plants</td>
</tr>
</tbody>
</table>

Market Electric Price - The Real-Time Locational Based Marginal Price (LBMP), expressed in $/MWH, for Zone G and for each applicable hour as set forth on the ("NYISO") web site.

Reconciliation Adjustment: The Reconciliation Adjustment is an adjustment that will be made prospectively for any Value Added Charge over/under collected. This adjustment is the difference between the sum of the Value Added Charges billed to the customer in the Test Year and the customer's Actual Value Added Charges in the Test Year.

Spark Spread - The Spark Spread is the Market Electric Price minus the Fuel Cost of Generation, expressed in $/MWH.

Test Year - The Test Year is the calendar year prior to the Effective Period.

Estimated Value Added Charge ($/Dth)

The Estimated Value Added Charge is a unitized per Dth rate, derived from the increase in Spark Spread from the Base Year to the Test Year. An Estimated Value Added Charge shall be determined for each customer taking service under this service classification and applied to every Dth delivered to such customer under this Service Classification, commencing May 1, 2006.

Issued By: Timothy Cawley, President, Pearl River, New York
(Name of Officer, Title, Address)
SERVICE CLASSIFICATION NO. 14 (Cont'd.)

RATE - MONTHLY: (Continued)

(3) Value Added Charge ("VAC") (Continued)

Estimated Value Added Charge ($/Dth) (Continued)

A Monthly Total Value Added Charge shall be determined for each customer for each month of the Test Year. Such monthly amount shall be determined by (1) subtracting the Base Year Spark Spread from the Spark Spread determined for each hour in the respective month of the Test Year that the customer received natural gas; (2) multiplying five percent of the difference determined in (1) by the customer’s MWH Generated Output during such Test Year hour; and (3) summing the amounts determined in (2). The amount determined in (3) is the Monthly Total Value Added Charge, unless such amount is less than or equal to zero. In such case, the Monthly Total Value Added Charge shall be zero. The customer's Annual Total Value Added Charge shall be the sum of the customer's Monthly Total Value Added Charges for the Test Year.

The Estimated Value Added Charge shall be the customer's Annual Total Value Added Charge for the Test Year, including any applicable Reconciliation Adjustment, divided by the number of Dth delivered to such customer during the Test Year. If a customer does not have twelve months of consumption data for the Test Year, that customer will be assigned a Value Added Charge equal to the average of all the customers’ Value Added Charge within the applicable heat rate tier level.

For each customer taking service under this Service Classification, the Company will file by March 1 of each year the Estimated Value Added Charge applicable to such customer to become effective May 1 of that year.

The Value Added Charge is a unitized per Dth rate, derived from the increase from the Base Year Spark Spread, adjusted for prior period Reconciliation Adjustment.

(4) Over and Under-delivery Charges

If the amount of gas delivered to the boundary of the Company's service area on behalf of a customer varies from the amount of gas used by the customer on a daily basis, the customer will have an over-delivery or an under-delivery.
(4) Over and Under-delivery Charges (Continued)

Over- and under-deliveries shall be determined as specified below. However, if the pipeline transporting gas to the Company's system boundary imposes more stringent over- or under-delivery limits or purchase or sales rates on the Company, such limits and rates shall apply to the customer and will supersede those contained herein. Additionally, a customer transporting gas on more than one pipeline serving the Company shall have over- or under-deliveries calculated on each transporting pipeline. The over- or under-delivery shall be allocated proportionally to each pipeline based on the nominated volumes.

If on any day the over-delivery or under-delivery is less than 2% of a customer's actual daily usage, the customer may adjust subsequent daily deliveries to the Company by an amount not to exceed 2% of any day's usage to eliminate any over- or under-deliveries by the end of the month. Any over- or under-delivery remaining at the end of each month will be cashed out. To cash out over- or under-deliveries, the customer must sell the over-delivered volumes to the Company or purchase the under-delivered volumes from the Company as specified below.

(a) Over-deliveries - Daily

If on any day a customer's over-delivery is greater than 2% of a customer's actual usage, the over-delivered volumes in excess of 2% will be purchased by the Company at the rates set forth below.

<table>
<thead>
<tr>
<th>For Over-deliveries</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;2% up to and including 5%</td>
<td>90% of Index Price</td>
</tr>
<tr>
<td>&gt;5% up to and including 10%</td>
<td>80% of Index Price</td>
</tr>
<tr>
<td>&gt;10%</td>
<td>70% of Index Price</td>
</tr>
</tbody>
</table>

The Index Price used to determine the applicable rate shall be equal to the simple average of the daily Algonquin, City-gates, and Millennium-East midpoint price index on the day in which the over-delivery occurs.

(b) Over-deliveries - Monthly

If there is an over-delivery at the end of the month, the over-delivered volumes will be purchased at a rate equal to the lower of the monthly average of the daily Algonquin, City-gates and Millennium-East midpoint prices or the average of the Algonquin, City-gates, and Millennium-East First-of-Month Low Range Price as published in Platt’s Gas Daily.
SERVICE CLASSIFICATION NO. 14 (Cont'd.)

RATE - MONTHLY: (Continued)

(4) Over and Under-delivery Charges (Continued)

(c) Under-deliveries - Daily

If on any day a customer's under-delivery is greater than 2% of a customer's actual usage, the under-delivered volumes in excess of 2% will be sold to the customer at the rates shown below.

<table>
<thead>
<tr>
<th>For Under-deliveries</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;2% up to and including 5%</td>
<td>110% of Index Price</td>
</tr>
<tr>
<td>&gt;5% up to and including 10%</td>
<td>120% of Index Price</td>
</tr>
<tr>
<td>&gt;10%</td>
<td>130% of Index Price</td>
</tr>
</tbody>
</table>

The Index Price used to determine the applicable rate shall be equal to the simple average of the daily Algonquin, City-gates, and Millennium-East midpoint price index on the day in which the under-delivery occurs.

(d) Under-deliveries - Monthly

If there is an under-delivery at the end of the month, the under-delivered volumes will be sold to the customer by the Company at a rate equal to the higher of the monthly average of the Algonquin, city-gates and Millennium-East midpoint prices or the average of the Algonquin, City-gates, and Millennium-East First-of-Month High Range Price as published in Platt’s Gas Daily.

(5) Penalty Charge

All gas used by a customer during periods in which the Company has requested customer to discontinue usage of gas service shall be subject to a minimum penalty equal to the higher of a) 120% of the wholesale electric market price at the time of non-compliance converted to a gas price in accordance with the Company's Gas Transportation Operating Procedures or b) $25.00 per Dth plus the cost of gas or c) $45.00 per Dth, or any penalty the Company may incur from a pipeline due to customer's unauthorized takes that is greater than the minimum penalty. The Company may, at its option, waive this penalty during emergencies. For the purposes of this provision, the cost of gas shall be equal to the highest daily "Midpoint" rate of the "Louisiana-Onshore South", "Tennessee" receipt points for the appropriate day as published in Gas Daily in the table "Daily Price Survey" plus the Company's weighted average cost of transportation (WACOT) and fuel losses at 100% load factor.

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            (Name of Officer, Title, Address)
SERVICE CLASSIFICATION NO. 14  (Cont'd.)

RATE - MONTHLY: (Continued)

(6) Variable Balancing Charge

The customer will pay a monthly variable balancing charge of $0.012 per Dth on all volumes recorded as delivered and burned. The monthly Variable Balancing Charge shall be determined by November 1 of each year based on the allocated costs of assets used to balance customers under this Service Classification.

(7) Increase in Rates and Charges

All rates and charges under this Service Classification will be increased pursuant to General Information Section 15 of this Schedule.

Issued By:  Timothy Cawley, President, Pearl River, New York
(Name of Officer, Title, Address)
SERVICE CLASSIFICATION NO. 14

MINIMUM ANNUAL BILL:

The minimum annual bill shall be equal to the lessor of:

(a) total annual charges for Rate Parts 1, 2 and 3 above based on usage equal to 50% of the maximum annual volume specified in customer's service agreement with the Company; or

(b) the total annual charges for customer's actual annual usage calculated at the rates and charges contained in Service Classification No. 8.

The maximum annual volume in Dth shall be equal to the maximum hourly volume in Dth required by the customer multiplied by 8,760 hours per year.

At the end of each twelve-month period, the minimum annual bill shall be calculated. If the minimum annual bill exceeds the actual amount billed for the twelve-month period, the difference between such minimum annual bill and actual amounts billed shall be assessed in the following month.

TERM:

The initial term shall be five years from the date of commencement of service and successive annual terms thereafter. Service may be terminated by the Company or the customer upon ninety days prior notice. If service is terminated on a date other than an annual anniversary of the date service commenced, the customer will be responsible for payment of the Minimum Annual Bill through the next anniversary of the date service commenced.

In addition to all other remedies available to the Company, the Company reserves the right to discontinue service immediately, temporarily or permanently, to the customer or to the premises where there is a violation or any failure to comply with any of the provisions of this Service Classification, the Company's Sales and Transportation Operating Procedures, or this Rate Schedule.

TERMS OF PAYMENT:

Bills are due when rendered, subject to a late payment charge in accordance with the provisions of General Information Section 6.6 of this Schedule.
SERVICE CLASSIFICATION NO. 14

SPECIAL PROVISIONS:

(A) Metering
The unit of measurement shall be a cubic foot of gas at an absolute pressure of fourteen and seventy-three one-hundredths pounds (14.73#) per square inch, a temperature of sixty degrees (60°) Fahrenheit and without adjustment for water vapor content. In determining the volume of gas delivered, the Average Absolute Atmospheric (Barometric) Pressure shall be assumed to be fourteen and four-tenths pounds (14.4#) to the square inch, irrespective of actual elevation or location of the delivery point above sea level or variations in actual barometric pressure from time to time.

(B) Heat Content
The conversion of metered volumes in Mcfs to Dths shall be at the Company's weighted daily average heat content or actual heat content recorded at the customer's facility.

(C) Transportation Volumes
Prior to the commencement of service hereunder, the customer shall provide to the Company information necessary to ensure the Company will be able to provide the service requested. Such information shall include:

(1) the name of the pipeline company that will deliver the customer's gas to the Company;
(2) the maximum annual volume the customer requests the Company to transport;
(3) the maximum daily and hourly volumes to be transported;
(4) a schedule of anticipated monthly volumes to be transported; and
(5) any additional information, as requested by the Company, including information that the Company is required to furnish to pipeline companies that are transporting or will transport gas to the Company for the customer's account.
SPECIAL PROVISIONS: (Cont'd.)

(C) Transportation Volumes (Cont'd.)

The Company shall not be required to accept delivery of or to transport any volumes in excess of the maximum daily volumes or the maximum annual volumes the customer has requested be transported. Customer may request to increase the maximum daily volumes and/or annual volumes during the term of service. The Company will, if facilities permit, accept and transport the higher volume.

The Company shall not accept gas delivered for a customer's account if the customer has not taken substantially all gas previously delivered to the Company for the customer's account.

(D) Reimbursement for Other Charges

Customer shall reimburse Company for any fees, taxes or other charges that may be assessed or billed to the Company by any governmental agency or pipeline company for services rendered on behalf of customer regarding facilities constructed or the transportation of gas from supplier to the boundary of the Company's service territory, except for those charges to be paid by the Company as specified in the service agreement. Reimbursement will be made within ten days of receipt of a statement.

(E) Loss Allowance

The customer shall provide to the Company, free of charge, a percentage of all gas delivered to the Company's boundary for delivery to customer as compensation for losses incurred by the Company in transporting customer's gas.

Customers with generators that are not on a dedicated line but are on a high pressure transmission line can negotiate a specific line loss, subject to a minimum of the lower of 1.0% or the system line loss. For customers with generators that are not served by dedicated lines and that do not negotiate a specific line loss, the system line loss will be applied to all gas delivered. All other customers are to provide to the Company, free of charge, 1.0% of all gas delivered to the receipt points, unless the system line loss is lower, which would then become the amount provided to the Company.
SPECIAL PROVISIONS: (Cont'd.)

(F) Customer Responsibilities.

Customers must maintain operable alternate fuel equipment, adequate fuel storage capacity at the customer's location for use in such alternate fuel equipment and fuel supply that is adequate and replenished as necessary to enable the customer to operate satisfactorily such equipment without gas whenever and so long as service under this Service Classification is withdrawn. The customer must also maintain a dedicated customer-installed telephone line to enable the Company to obtain remote readings of the customer's meter.

The customer shall immediately: (i) notify the Company of any condition that would prevent the required discontinuance of gas service or prevent the Company from determining whether the customer is using gas during a period in which the Company withdraws service, (ii) take immediate action to correct such condition, and (iii) notify the Company when such condition has been corrected. If the customer does not correct such condition within 10 days from when the condition is first reported by the customer or from when first discovered by the Company with notice to the customer, whichever is earlier, the customer shall be billed an additional charge equal to the greater of a) 130% of the cost of its alternate fuel, as established with reference to appropriate fuel price indices as determined in accordance with the Company's Gas Transportation Operating Procedures or b) 130% of the Service Classification No. 8 Supplemental Sales Service Charge plus the customer's Transportation Charge, minus the rates paid by the customer under this Service Classification. This additional charge shall be applied to all gas consumed during the billing period in which there is non-compliance and for any subsequent billing periods during which the non-compliance continues.

The customer must comply with an annual inspection of its alternate fuel or alternate energy facilities, at a date and time determined by the Company, to determine whether such facilities are operable. In addition, the Company shall have the right to require a test of the customer's alternate fuel or alternate energy facilities. The customer must comply with any such test.
SPECIAL PROVISIONS: (Cont'd.)

(G) Reserve Requirements

Prior to November 1 of each year, customers are required to demonstrate to the Company that they have adequate reserves of alternate fuel based on peak winter period requirements and in accordance with the provisions below.

(1) All Distillate Users shall have a five days supply of alternate fuel. If the customer does not have five days storage capability on site, the customer must fill available on-site storage and prove, to the Company's satisfaction, that a relationship exists with an alternate fuel provider to supply the customer for the difference between its on-site supply and the five days of required alternate fuel supply.

For the purposes of this provision, Distillate Users are those customers using No. 2 fuel oil, diesel fuel or kerosene as their alternate fuel source.

(2) Other withdrawable customers must maintain reserve levels acceptable to the Company.

A customer with an inadequate alternate fuel reserve that fails to discontinue gas service at any time during the first five days in which the Company has requested customer to discontinue usage of gas service in any winter season shall be billed an additional charge equal to the greater of a) 130% of the cost of its alternate fuel, as established with reference to a published distillate fuel index price as determined in accordance with the Company's Gas Transportation Operating Procedures or b) 130% of the Service Classification No. 8 Supplemental Sales Service Charge plus the customer’s Transportation Charge, minus the rates paid by the customer under this Service Classification. Any customer with an inadequate alternate fuel reserve as of November 1 of each year will similarly be subject to the same additional charge. This additional charge shall be applied to all gas consumed during the billing period in which there is non-compliance and for any subsequent billing periods during which the non-compliance continues.