PSC NO: 120 – Electricity New York State Electric & Gas Corporation Initial Effective Date: January 1, 2007 Statement Type: DISC Statement Number: 2

Purchase of ESCO Accounts Receivable (POR) Discount

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

Discount 1.15%

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