PSC NO: 121 ELECTRICITY NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: January 1, 2008

Statement Type: TC Statement Number: 43

Transition Charge Statement

For customers taking service under the ESCO Price Option (EPO) rate, the NYSEG Fixed Price Option (FPO) rate, or mandatory Hourly Pricing, pursuant to NYSEG's Pricing Options Effective January 1, 2008, General Information Section 25 of Schedule PSC No. 120 - Electricity, the following Transition Charge (also known as the Non-Bypassable Charge or "NBC" is applicable to energy deliveries [all kilowatt-hours (kWhs)] under the service classifications listed below, other than exclusions* specified below.

PSC No. 120 - Electricity; Service Classification Nos.	Charge per kWh
1, 8, 12	(\$0.0040)
2, 3, 5, 6, 7, 9	\$0.00514
PSC No. 121 - Electricity; Service Classification Nos.	
1, 2, 3	\$0.00514

Notes:

- For customers taking service under the ESCO Price Option or the mandatory Hourly Pricing Option, whose service is electrically connected "East" of the NYISO Total East Interface, the Transition Charge will include a credit to reflect the higher cost to serve load in that area. The credit (see General Information Section 25, Pricing Options Effective January 1, 2008, Sub Section B of Schedule PSC No. 120) will be calculated for the individual customer's service classification for the billing period.
- * The Transition Charge will <u>not</u> apply to all Power For Jobs (PFJ) customer allocations (*i.e.*, associated kilowatt-hours) and Economic Development Power (EDP) deliveries up to the MW levels delivered as of January 1, 2007, as specified in General Information Section 10 of PSC 120 Electricity, Economic Development Power. EDP deliveries exceeding the January 1, 2007 delivery levels will be delivered at the ESCO Price Option rate, which is subject to the Transition Charge.

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