

**PSC No. 120 Electricity****New York State Electric & Gas Corporation**

Initial Effective Date: September 26, 2010

Issued in compliance with order in Case No. 09-E-0715 dated September 21, 2010

Statement Type: MFC

Statement No. 05

**Merchant Function Charge Statement**

For customers taking service under the NYSEG Supply Service (NSS) rate or Hourly Pricing with supply provided by NYSEG, pursuant to NYSEG's Supply Service Options, General Information Section 25 of Schedule PSC No. 120 - Electricity, the following Merchant Function Charge is applicable to energy supplied [all kilowatt-hours (kWhs)] under the service classifications listed below.

	Small Customer \$ per kWh	Large Customer \$ per kWh
Monthly Electric Supply Cost	\$0.061310	\$0.072839
Uncollectible Factor	<u>0.96%</u>	<u>0.15%</u>
1 Uncollectible Charge ( Monthly Electric Supply Cost * Uncollectible Factor)	\$0.000589	\$0.000112
2 Working Capital - Commodity Hedges	\$0.000067	-
3 Credit & Collections and Call Center	\$0.001014	\$0.001014
4 Administrative Charge	<u>\$0.001860</u>	<u>\$0.001860</u>
<b>Total MFC Rate per kWh</b>	<b>\$0.003530</b>	<b>\$0.002986</b>

For further information regarding the Merchant Function Charge see General Information Section 25 of PSC No. 120 - Electricity.

Service Classification Nos. 1, 8, 12, 5, 6, and 9 will be billed the "Small Customer" MFC rate.

All Street Lighting Service Classifications ( Nos. 1, 2, 3, and 4) will be billed the "Small Customer" MFC rate.

Service Classification Nos. 2, 3, and 7 will be billed the "Large Customer" MFC rate.

For Service Classification Nos. 11, 13, and 14, the customer's otherwise applicable service classification will determine the applicable MFC.

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