

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: October 17, 2009

Leaf No. 134
Revision: 5
Superseding Revision: 3

SERVICE CLASSIFICATION NO. 2 (Continued)

REVENUE DECOUPLING MECHANISM ("RDM")

All customers taking service under this Service Classification shall be subject to a Revenue Decoupling Mechanism adjustment to be applied to kilowatt-hours delivered, as explained in this Schedule, General Information Section 7. See RDM Statement.

DEFERRAL RECOVERY MECHANISM ("DRM")

A surcharge or credit will be added to each customer bill for service under this Service Classification to be applied to kilowatt-hours delivered, as explained in this Schedule, General Information Section 3. See DRM Statement.

INCREASE IN RATES AND CHARGES:

The rates and charges under this Service Classification, including minimum charges, will be increased by a surcharge pursuant to section 6 of PSC No. 120 to reflect the tax rates applicable within the municipality where the customer takes service.

DETERMINATION OF DEMAND:

The billing demand will be the metered demand, which is the highest average kilowatts used in a thirty-minute interval during the month.
(For customers whose meters are read bi-monthly, the metered demand will be 95% of the metered demand.)

Customers who choose to take all or part of their back-up or maintenance service under this service classification rather than under Special Provision (d) of NYSEG's Service Classification No. 11 will pay a minimum demand charge as described in NYSEG's Service Classification No. 11. Customers will pay a minimum demand charge related to generation, ancillary, and transmission costs. The minimum demand charge is based on a rate per kW of the contract demand and is accumulated over a 12-month period. The accumulated contract demand charge component will be compared to the accumulated demand charge in this service classification. If the contract demand charge is greater than the demand charge in this service classification, then the customer will only pay the contract demand charge in that month. If it is less than the demand charge in this service classification, then the customer will pay that difference in that month.

DETERMINATION OF REACTIVE KILOVOLT-AMPERE HOURS:

Whenever the customer's metered demand is 200 KW or more for two consecutive billing periods, the reactive kilovolt-ampere hours shall thereafter be metered. The billing reactive kilovolt-ampere hours will be the reactive kilovolt-ampere hours in excess of one-third of the metered kilowatt hours.

TERMS OF PAYMENT:

All bills are rendered at the above "unit prices" and that amount is due on bills paid on or before the "past due" date indicated on the bill. A late payment charge at the rate of one and one-half percent (1 1/2%) per month will be billed on all amounts not paid by that date. (Further details in Section 4 of P.S.C. No. 119 - Electricity or superseding issues thereof.)

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York