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PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: January 1, 2010

Leaf No. 142

Revision: 7

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SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(f) Economic Incentives: (Cont'd)

- (7) Reserved for Future Use
- (8) Incremental Load Incentive ("ILI")

Customers who qualify under the Incremental Load Incentive (ILI) in Section 19 of the General Information section may select one of the following rate options, as specified in this Service Classification and Section 25, Supply Service Options, for such qualified incentive load: 1) NYSEG Supply Service (NSS), or 2) ESCO Supply Service (ESS), or 3) Hourly Pricing.

Such customers will have their service bills reduced, for a term of 60 months, by an incentive discount of \$2.00 per kilowatt for all qualified kilowatts used thereunder.

Such customers will be exempt from paying the Transition Charge. If it is determined that a bill calculated with the incentive exceeds a bill calculated under the otherwise applicable standard service classification rates, the customer will pay the lower of the two bills.

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