

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: September 26, 2010  
Issued in compliance with Order in Case 09-E-0715 dated September 21, 2010

Leaf No. 117.11  
Revision: 6  
Superseding Revision: 4

#### GENERAL INFORMATION

### 25. Supply Service Options: (cont'd.)

#### I. Supply Service Options (cont'd.)

##### **D. Merchant Function Charge (MFC):**

The MFC will be applicable to only those customers taking supply service from the Company (*i.e.*, NSS and Hourly Pricing) and is set forth in a statement at the end of this Schedule (PSC No. 120 – Electricity). A separate MFC will be calculated for small (SC Nos. 1, 8, 12, 5, 6, 9, and street lighting) and large (SC Nos. 2, 3 & 7) customers. For Service Classification Nos. 11, 13, and 14, the customer's otherwise applicable service classification will determine the applicable MFC.

1.) The MFC will include the following rate components as described in the Joint Proposal dated July 14, 2010 in Case Nos. 09-E-0715, 09-G-0716, 09-E-0717, and 09-G-0718.

- a) Commodity-related Uncollectible Costs
- b) Commodity-related Credit and Collections and Call Center costs;
- c) Commodity-related Administrative costs;
- d) Cash Working Capital on Purchased Power costs, if the New York Independent System Operator moves to weekly billing and
- e) Cash Working Capital on Commodity Hedge Margin costs.

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