

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: January 1, 2008

Leaf No. 254.1
Revision: 1
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(i) Hourly Pricing – Mandatory and Voluntary (Cont'd.)

DELIVERY CHARGES:

The delivery charges set forth in this Service Classification for standard service shall apply to a customer taking service under Hourly Pricing. A customer that qualifies for the Economic Development Zone Incentive will pay the delivery charges set forth in the Special Provision (d)(3) Economic Development Zone Incentive. A customer that qualifies for the Industrial/High Load Factor Special Provision will pay the delivery charges as set forth in the Special Provision (h).

HOURLY METERING CHARGE:

Hourly priced customers are required to pay an incremental meter charge of \$7.07 per month, regardless of the Electric Supply Pricing Option chosen. Customers that have paid for their own meter are exempt from this charge.

ELECTRICITY SUPPLY PRICING OPTIONS AVAILABLE TO CUSTOMERS:

Customers served under this provision must select from two different electricity supply pricing options offered by the Company as described below.

NYSEG will provide delivery service regardless of the electricity supply pricing option chosen. Hourly Pricing customers are able to select ESCO commodity service at any time.

A customer who has not chosen an option, and for whom NYSEG has not received a retail access enrollment from an ESCO, will default to the NYSEG Hourly Day-Ahead Market Pricing Option.

1. ESCO Price Option (EPO)

This electricity supply pricing option includes fixed charges for delivery service, and a fixed Transition Charge (Non-Bypassable Charge [NBC] described above and in further detail in General Information Section 25.B.). Electricity supply is provided by an ESCO.

2. NYSEG Hourly Day-Ahead Market Pricing Option (“Hourly Pricing”)

This electricity supply pricing option includes fixed charges for delivery service, a fixed Transition Charge (Non-Bypassable Charge [NBC] as described above and in further detail in General Information Section 25.B.), the Merchant Function Charge and a commodity charge for electricity supply that fluctuates hourly with the market price of electricity including losses, unaccounted for energy, capacity, and capacity reserves, as further described herein. Electricity supply is provided by NYSEG.

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