Received: 04/05/2007 Status: CANCELLED Effective Date: 01/01/2008

PSC NO: 121 ELECTRICITY

NEW YORK STATE ELECTRIC & GAS CORPORATION

Initial Effective Date: 01/01/08

Leaf: 40

Revision: 6

Superseding Revision: 5

SERVICE CLASSIFICATION NO. 3 (Cont'd.)

RATE: (Cont'd)

Energy use will be the sum of monthly energy use calculated as explained in General Information Section 2 of this Schedule.

ELECTRICITY SUPPLY PRICING OPTIONS AVAILABLE TO CUSTOMERS:

Pursuant to General Information Section 25, Pricing Options Effective January 1, 2008, of Schedule PSC 120, customers served under this Service Classification will choose from two different electricity supply pricing options offered by the Company as described below.

NYSEG will provide <u>Delivery Service</u> regardless of the customer's electricity supply pricing option.

1. ESCO Price Option (EPO)

This electricity supply pricing option includes a monthly operation and maintenance charge for luminaires and other facilities, fixed charges for delivery service, and a fixed Transition Charge (Non-Bypassable Charge [NBC]). Commodity service will be provided by an Energy Services Company (ESCO). Customers that elect EPO and receive a Consolidated Bill will not be subject to the Bill Issuance Charge.

Kilowatt-hour use will be determined in accordance with General Information Section 2, Determination of Demand and Energy Use.

RATE:

Energy Charges, Bill Issuance Charge and Luminaire Charges:

	Effective Date
Delivery Charges	01/01/2008
Energy Charge (All kilowatt-hours, per kilowatt-hour)	\$0.02500
Bill Issuance Charge	\$0.89
Transition Charge (All kilowatt-hours, per kilowatt-hour)	See Transition Charge Statement

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