

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2007

Leaf No. 293
Revision: 14
Superseding Revision: 12

SERVICE CLASSIFICATION NO. 11 (Continued)

METERING AND COMMUNICATION REQUIREMENTS: (CONT'D.)

3. Meter Credits: (Cont'd.)

c) Customers That Have Fully Paid for Meter and Instrument Transformation Costs: A demand billed customer taking service under these standby rates that has fully paid for their meter and instrument transformation costs will receive a monthly credit to the currently applicable monthly Customer Charge (excluding Special Provision (d)), as well as a portion of the standby service transition dollars allocated for collection in the Customer Charge. This credit may be revised each April 1. Below are the customer credits:

| Effective 01/01/07 | SC 2 | SC 3P | SC 3S | SC 7-1 | SC 7-2 | SC 7-3 | SC 7-4 |
|-------------------------------|--------|---------|----------|---------|----------|----------|-----------|
| Customer Charge Credit | | | | | | | |
| Delivery Charge | \$9.41 | \$72.73 | \$109.79 | \$26.30 | \$217.61 | \$388.50 | \$1216.49 |
| Transition Charge | \$4.21 | \$26.11 | \$15.67 | \$10.66 | \$95.91 | \$345.12 | \$1603.10 |

| Effective 01/01/08 | SC 2 | SC 3P | SC 3S | SC 7-1 | SC 7-2 | SC 7-3 | SC 7-4 |
|-------------------------------|--------|---------|---------|--------|---------|----------|----------|
| Customer Charge Credit | | | | | | | |
| Delivery Charge | \$2.55 | \$36.54 | \$52.55 | \$4.69 | \$34.53 | \$121.06 | \$329.78 |
| Transition Charge | \$3.38 | \$17.36 | \$8.43 | \$6.86 | \$42.43 | \$160.48 | \$654.56 |

ELECTRICITY SUPPLY

A Customer taking service under SC 11 will have the choice of the following Electricity Supply Pricing Options for its Electricity Supply:

For customers whose OASC is Service Classification No. 1, 6, 8, 9, or 12:

1. ESCO Price Option (EPO); or
2. NYSEG Default Supply Option (DSO)

For a customer whose OASC is Service Classification No. 2, 3, or a Service Classification No. 7 with a demand less than 1,000 kw:

1. ESCO Price Option (EPO); or
2. NYSEG Variable Price Option (VPO); or
3. NYSEG Hourly Pricing Option (Hourly Pricing)

For a customer whose OASC is Service Classification No. 7 with a demand of 1,000 kw or greater:

1. ESCO Price Option (EPO); or
2. NYSEG Hourly Pricing Option (Hourly Pricing)

Terms and conditions applicable to these rate choices are explained in the customer's OASC. With the exception of customers taking service under Special Provision (d) Previous SC 11 Tariff, all customers served under this Service Classification taking electricity supply service from the Company will be required to pay a Merchant Function Charge as set forth in the customer's OASC.

INTERCONNECTION REQUIREMENTS

1. A customer may connect an OSG facility for parallel operation with the Company's delivery system, or isolate for operation with standby service provided by a wholesale generator by means of a double throw transfer switch, or another transfer switching scheme acceptable to the Company.

Issued in compliance with order in Case No. 05-E-1222 dated 08/23/06.

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