PSC No: 120 - Electricity New York State Electric and Gas Corporation Initial Effective Date: January 1, 2007 Leaf No. 180 Revision: 1 Superseding Revision: 0

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(i) Hourly Pricing - Voluntary (Cont'd.)

DETERMINATION OF DEMAND:

Customers taking service under this Special Provision will pay a demand charge calculated as described in Service Classification No. 7, Determination of Demand section.

METERING AND COMMUNICATION REQUIREMENTS:

1. All customers subject to this special provision are required to have interval metering and remote meter reading capability. Such customers will be responsible for the following:

- a. the costs of providing remote meter reading capability through dedicated telecommunications to and from the meter; and
- b. the dedicated telecommunications shall be a land-line connection unless the customer is directed by the Company that a cellular connection is required, and
- c. all costs associated with the installation, operation and maintenance of the telecommunications line, including but not limited to, all telecommunications service bills. If the Company is unable to read the meter through a customer provided connection, and NYSEG has determined that the problem is not caused by the Company's equipment, the customer shall be responsible for resolution of the problem. The customer shall also be responsible for reimbursement of NYSEG expenses incurred for visits to the meter location to ascertain the cause of the problem, including reimbursing the Company for any expenses the Company incurs, such as, but not limited to, the cost to provide a manual meter read.
- (j) Emergency Demand Response Program ("EDRP")

The EDRP seeks to provide customers with an economic incentive to respond to Emergency Operating Conditions as identified by the NYISO. EDRP can provide the NYISO, through the Company, with the ability to request voluntary load curtailment or replacement by participating customers for electric usage.

Customers who are qualified under EDRP in Section 20 of the General Information section of this Schedule may participate in the NYSEG EDRP as set forth therein.

Issued in compliance with order in Case No. 08-E-0641 dated 04/24/06.

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