

PSC NO: 121 ELECTRICITY
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 01/01/07

Leaf: 57.1
Revision: 1
Superseding Revision:

SERVICE CLASSIFICATION NO. 3 (Cont'd.)

RATE CHOICES AVAILABLE TO CUSTOMER: (CONT'D.)

4. NYSEG Default Supply Option (DSO) (Cont'd.)

Merchant Function Charge

All customers served under this Service Classification taking service under the NYSEG Default Supply Option (DSO) will be required to pay a Merchant Function Charge as set forth herein and as further described in PSC No. 120 General Information Section 25.D.

The Merchant Function Charge will be phased in as set forth below:

	Effective Date		
	01/01/07	07/01/07	01/01/08
All kilowatt-hours, per kilowatt-hour	\$0.0034	\$0.0028	\$0.0022

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

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