PSC No: 120 - Electricity New York State Electric and Gas Corporation Initial Effective Date: January 1, 2007 Leaf No. 219 Revision: 4 Superseding Revision: 2

SERVICE CLASSIFICATION NO. 7 (Continued)

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

4. NYSEG Variable Price Option (VPO)

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a fluctuating Transition Charge (Non-Bypassable Charge [NBC]), a commodity charge for electricity supplied by NYSEG which fluctuates with the market price of electricity and a Merchant Function Charge.

RATE: (Per Meter, Per Month)

Delivery Service:

	Secondary	Primary		
	SC 7-1	SC 7-2	SC7-3	SC 7-4
Voltage	Distribution	Distribution	Sub-transmission	Transmission
Customer Charge	\$18.75	\$185.88	\$292.41	\$792.77
Bill Issuance Charge	\$0.89	\$0.89	\$0.89	\$0.89
Meter Ownership Charge	\$2.96	\$5.80	\$6.94	\$12.12
Meter Service Charge	\$3.80	\$8.83	\$10.10	\$22.28
Meter Data Service Charge	\$3.60	\$8.60	\$9.66	\$21.94
(Meter Reading)				
Demand Charge				
On-Peak Service	\$8.60	\$7.50	\$4.06	\$1.73
Energy Charge	\$0.00153	\$0.00262	\$0.00261	\$0.00212
(All kilowatt-hours, per kilowatt-hour)				
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00095	\$0.00095	\$0.00095	\$0.00095

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