

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

Leaf No. 228  
Revision: 12  
Superseding Revision: 11

### SERVICE CLASSIFICATION NO. 7 (Continued)

#### SPECIAL PROVISIONS: (Cont'd)

##### (d) Economic Incentives: (Cont'd)

##### (3) Economic Development Zone Incentive: (Cont'd)

The incentive rate for such qualified load billed at FPO will be calculated using the Transition Charge established on November 1, or April 1 as applicable, for the sole purpose of setting the FPO rates. The incentive rate for such qualified load billed at EPO or VPO may change monthly due to the fluctuating Transition Charge. An Economic Incentive Rate (EIR) Statement setting forth the monthly incentive rates for each rate option will be filed with the Public Service Commission on not less than three (3) days' notice prior to the first day of each month. Such statement can be found at the end of this Schedule (PSC 120 - Electricity).

All customers will be required to pay Transition Charges, and Commodity and Merchant Function Charges, if applicable, in accordance with the standard FPO, VPO or EPO rates for this Service Classification.

The qualified incented load will be billed at the following applicable FPO, VPO, or EPO delivery rates:

#### NYSEG Fixed Price Option (FPO):

VOLTAGE SECONDARY S.C. 7-1 DISTRIBUTION	
<b>Customer Charge</b>	\$0.26
Bill Issuance Charge	\$0.89
Meter Ownership Charge	\$2.79
Meter Service Charge	\$3.58
Meter Data Service Charge (Meter Reading)	\$3.39
<b>Demand Charge</b> On-Peak Service	6.24
<b>Energy Charge</b> (All kilowatt-hours, per kilowatt-hour)	\$0.00176
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$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