

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

Leaf: 16
Revision: 4
Superseding Revision: 1

SERVICE CLASSIFICATION NO. 1 (Cont'd.)

RATE CHOICES AVAILABLE TO CUSTOMERS:

Pursuant to General Information Section 25, Pricing Options Effective January 1, 2007, of Schedule PSC 120, customers served under this Service Classification will choose from four different electric rate choices offered by the Company as described below. NYSEG will offer two Retail Access rate choices and two Non-Retail Access rate choices.

The two Retail Access choices (1 and 2 below) consist of the ESCO Price Option (EPO), and the ESCO Option with Supply Adjustment (EOSA). The two Non-Retail Access choices (3 and 4 below) include the NYSEG Fixed Price Option (FPO) and the NYSEG Default Supply Option (DSO).

NYSEG will provide Delivery Service only for the two Retail Access choices. Commodity Service will be provided by an Energy Services Company (ESCO).

1. ESCO Price Option (EPO)

This Retail Access choice includes a Monthly Operation and Maintenance Charge for luminaires and other facilities, fixed charges for NYSEG delivery service, and a fluctuating Transition Charge (Non-Bypassable Charge [NBC]).

Kilowatt-hour use will be determined in accordance with General Information Section 2, Determination of Demand and Energy Use.

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