

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

Leaf No. 121.1  
Revision: 0  
Superseding Revision:

SERVICE CLASSIFICATION NO. 1 (Continued)

RATE CHOICES AVAILABLE TO CUSTOMERS: (Cont'd.)

*NYSEG will provide Delivery and Commodity Service for the two Non-Retail Access choices.*

**3. NYSEG Fixed Price Option (FPO) (cont'd.)**

Merchant Function Charge

All customers served under this Service Classification taking service under the NYSEG Fixed Price Option (FPO) will be required to pay a Merchant Function Charge as set forth herein and as further described in 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 and Regulatory Economics, Binghamton, New York