PSC NO: 121 ELECTRICITY NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: 01/01/07 Leaf: 34.3 Revision: 5 Superseding Revision: 2

SERVICE CLASSIFICATION NO. 2 (Cont'd.)

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

4. NYSEG Default Supply Option (DSO)

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

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

RATE: (Per Month)

Delivery Service:

Energy Charges, Bill Issuance Charge and Monthly Maintenance Charge:

| | Effective Date |
|--|----------------|
| Delivery Charges | 01/01/2007 |
| Energy Charge (All kilowatt-hours, per kilowatt-hour) | \$0.02500 |
| Bill Issuance Charge | \$0.89 |

| | Monthly Maintenance Charge for Customer Owned Luminaires |
|---|--|
| High Pressure Sodium 50 Watts - 3,300 Lumen 70 Watts - 5,200 Lumen 100 Watts - 8,500 Lumen 150 Watts - 14,400 Lumen 200 Watts - 19,800 Lumen 250 Watts - 24,700 Lumen 400 Watts - 45,000 Lumen 1000 Watts - 126,000 Lumen | \$1.17 1.17 1.18 1.18 1.19 1.20 1.22 2.30 |
| Mercury Vapor 100 Watts+ - 3,200 Lumen 175 Watts+ - 7,000 Lumen 250 Watts+ - 9,400 Lumen 400 Watts+ - 17,200 Lumen 1000 Watts+ - 48,000 Lumen | \$0.80 0.82 0.84 0.88 1.12 |
| Incandescent 103 Watts - 1,000 Lumen 202 Watts - 2,500 Lumen 327 Watts - 4,000 Lumen 448 Watts - 6,000 Lumen 690 Watts - 10,000 Lumen | \$2.70 2.72 2.78 2.86 2.87 |

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