

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: November 1, 2006

Leaf No. 117.6
Revision: 1
Superseding Revision:

GENERAL INFORMATION

25. Pricing Options effective January 1, 2007

The Commission's Order Adopting Recommended Decision with Modifications, Issued and Effective August 23, 2006 in Case 05-E-1222 ("August 2006 Order"), sets forth the electric pricing options available to customers beginning January 1, 2007. The Commodity Option Period will be January 1, 2007 through December 31, 2007. Enrollment for this one year period will last for two months, beginning November 1, 2006. The Enrollment Period for the Commodity Option Period of January 1 through December 31, 2007 will close at 7 p.m. on December 29, 2006.

At its option, NYSEG may choose to offer the Fixed Price Option (FPO) and ESCO Option with Supply Adjustment (EOSA) for the period January 1 through December 31, 2008.

- i. If the Company continues to offer these pricing options, an Enrollment Period for the 2008 Commodity Option Period will occur from November 1 through December 31, 2007. Such Enrollment Period will close at 12:00 p.m. on December 31, 2007.
- ii. If the Company does not continue to offer these pricing options, customers taking service under the FPO as of December 31, 2007 will be migrated to the Default Supply Option (DSO) or the Variable Price Option (VPO), as applicable, effective on January 1, 2008. Customers taking service under the EOSA as of December 31, 2007 will be migrated to the ESCO Price Option (EPO), effective on January 1, 2008. Tariff provisions addressing the FPO and EOSA will be rendered null and void.

The FPO will not continue beyond calendar year 2008 absent authorization from the Public Service Commission.

A. Pricing Options

Beginning November 1, 2006, NYSEG will offer two Retail Access choices and two Non-Retail Access choices, as described below, to be effective January 1, 2007.

The Retail Access choices consist of the ESCO Price Option (EPO) and the ESCO Option with Supply Adjustment (EOSA). The EPO or the EOSA are available to all customers, except as noted in Section 25.F.

1. ESCO Price Option (EPO): This choice includes fixed charges for NYSEG delivery service and a fluctuating Transition Charge (Non-Bypassable Charge [NBC] described in Section 25.B.) An ESCO provides Electric Power Supply to the customer.
2. ESCO Option with Supply Adjustment (EOSA): This choice applies a Retail Access Credit ("RAC") to the NYSEG Fixed Price Option (FPO) rates to be presented on customer bills. The RAC fluctuates with the spot market price of electricity. The RAC consists of energy, losses and unaccounted for energy; Unforced Capacity ("UCAP"), UCAP Losses, UCAP Reserves, and an Additional Component of \$0.001 per kWh. An ESCO provides Electric Power Supply to the customer.

Issued in compliance with order in Case No. 05-E-1222 dated 08/23/06.

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