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Leaf No. 154 PSC No: 120 - Electricity New York State Electric & Gas Corporation Revision: 5 Initial Effective Date: January 1, 2008 Superseding Revision: 3

SERVICE CLASSIFICATION NO. 3

APPLICABLE TO THE USE OF SERVICE FOR:

Primary Service for any customer with a demand of 25 kilowatts or more but less than 500 kilowatts.

CHARACTER OF SERVICE:

Continuous - Alternating Current, 60 Cycle; Primary (Distribution) Service at 2,400, 4,160, 4,800, 7,200, 8,320, 12,000, 12,470, 13,200, 34,500 (Regulated) Volts; Subtransmission Service at 34,500 or 46,000 (Both Non-Regulated) Volts; or 34,500 (Regulated) Volts for "Grandfathered Customers" only; (see Special Provisions (a)); Single or Three Phase. (Characteristics depend upon available circuits and equipment.)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS:

Pursuant to General Information Section 25, Supply Service Options, customers served under this Service Classification will choose from different electric rate choices offered by the Company as described below. NYSEG will offer a Retail Access rate choice and Non-Retail Access rate choices.

The Retail Access choice is the ESCO Price Option (EPO). The Non-Retail Access choices include the NYSEG Fixed Price Option (FPO), the NYSEG Variable Price Option (VPO), and Hourly Pricing.

NYSEG will provide Delivery Service regardless of the customer's supply service option.

1. ESCO Price Option (EPO)

This Retail Access choice includes fixed charges for NYSEG delivery service and a fixed Transition Charge (Non-Bypassable Charge [NBC]). Supply service will be provided by an Energy Services Company (ESCO). Customers that elect EPO and receive a Consolidated Bill will not be subject to the Bill Issuance Charge.

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07...

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York