

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

Leaf No. 26
Revision: 5
Superseding Revision: 4

GENERAL INFORMATION

9. Economic Development Zone Incentive (Cont'd.)

Eligibility for Rate Options (Cont'd.)

An existing customer applying for this incentive will have 30 days from the date of application to select such rate option for the qualified incented load. Prospective customers applying for service and also applying for this incentive will have 60 days to elect such rate option.

If the customer has not elected a rate option by the time of billing, NYSEG will bill the customer on the NYSEG Variable Price Option (VPO) rate.

A customer electing FPO or VPO must contact NYSEG to convey its selection. A customer electing EPO must adhere to the process set forth in Section 25.J.2, Process for Changing to a Retail Access Rate Option. The Energy Services Company ("ESCO") will contact NYSEG directly to convey the customer's EPO rate selection and Retail Access enrollment.

10. Economic Development Power ("EDP"):

Economic Development Power within Service Classification No. 7 is available under the following conditions:

As of March 1, 2003, customers were taking deliveries of 36.1 MW of EDP pursuant to FERC Rate Schedule No. 179. Subject to the provisions of this Section, those customers will continue to be billed for delivery in accordance with FERC Rate Schedule No. 179. If any EDP allocation comprising part of the 36.1 MW being delivered in accordance with FERC Rate Schedule No. 179 as of March 1, 2003 is surrendered, terminated, withdrawn or otherwise relinquished, renewed or extended, and is then re-allocated by NYPA,

- i. such allocation shall be delivered by NYSEG at the standard ESCO Price Option ("EPO") rate (as specified in Section 25, Pricing Options Effective January 1, 2007), which includes the Transition Charge (Non-Bypassable Charge), and
- ii. the 36.1 MW level billed in accordance with FERC Rate Schedule No. 179 shall be reduced accordingly.

Beginning on August 1, 2007, customers taking deliveries of "New Allocations" of EDP may be exempt from the Transition Charge (Non-Bypassable Charge) in accordance with General Information Section 12.

EDP deliveries will be exempt from the System Benefits Charge and the Renewable Portfolio Standard Charge effective January 1, 2007. The rates and conditions provided in this provision are subject to review by, acceptance by or approval from the Federal Energy Regulatory Commission ("FERC") to the extent of the FERC's jurisdiction.

Issued in compliance with order in Case No. 05-E-1222 dated 07/20/07.

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