PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: March 1, 2009 Leaf No. 216 Revision: 16 Superseding Revision: 14

SERVICE CLASSIFICATION NO. 7 (Continued)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)

3. NYSEG Variable Price Option (VPO)

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

RATE: (Per Meter, Per Month)

Delivery Service:

	Secondary	Primary		
	SC 7-1	SC 7-2	SC7-3	SC 7-4
Voltage	Distribution	Distribution	Sub-transmission	Transmission
Customer Charge	\$26.16	\$237.72	\$371.41	\$1,002.61
Bill Issuance Charge	\$0.89	\$0.89	\$0.89	\$0.89
Meter Ownership Charge	\$2.96	\$5.80	\$6.94	\$12.12
Meter Service Charge	\$3.80	\$8.83	\$10.10	\$22.28
Meter Data Service Charge	\$3.60	\$8.60	\$9.66	\$21.94
(Meter Reading)				
Demand Charge				
On-Peak Service	\$10.72	\$9.35	\$5.06	\$2.16
Energy Charge	\$0.00191	\$0.00327	\$0.00325	\$0.00264
(All kilowatt-hours, per kilowatt-hour)	\$0.00171	\$0.00327	\$0.00323	\$0.00204
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00095	\$0.00095	\$0.00095	\$0.00095
Transition Charge	See Transition Charge Statement			
(All kilowatt-hours, per kilowatt-hour)				
Merchant Function Charge	See Merchant Function Charge Statement			
(All kilowatt-hours, per kilowatt-hour)				

Commodity Service

The charge for Electric Power Supply provided by NYSEG will fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

In the event that NYSEG determines that it will incur an estimated gain or loss because purchases for VPO customers were made in the real-time market at prices differing from those in the day-ahead market, NYSEG will credit or recover the full amount of the estimated gain or loss through the non-bypassable charge from VPO customers.

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