

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: October 1, 2008

Leaf No. 123  
Revision: 14  
Superseding Revision: 13

SERVICE CLASSIFICATION NO. 1 (Continued)

MERCHANT FUNCTION CHARGE:

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply, as further explained in General Information Section 25.D. Customers whose electricity is supplied by an ESCO are not charged for this service.

MINIMUM CHARGE:

The minimum charge for service under this Service Classification is the monthly Customer Charge as listed above.

SURCHARGE TO COLLECT SYSTEM BENEFITS CHARGE ("SBC"):

A surcharge will be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Section 4). See SBC Statement.

RENEWABLE PORTFOLIO STANDARD CHARGE ("RPS"):

A surcharge of \$.0005 per kWh will be added to each customer bill for service under this Service Classification to collect the Renewable Portfolio Standard (as explained in this Schedule, General Information Section 5). This charge will be effective with usage beginning October 1, 2007.

INCREASE IN RATES AND CHARGES:

The rates and charges under this Service Classification, including minimum charges, will be increased by a surcharge pursuant to Section 6 of this Schedule to reflect the tax rates applicable within the municipality where the customer takes service.

TERMS OF PAYMENT:

All bills are rendered at the above "Unit Prices" and that amount is due on bills paid on or before the past due date indicated on the bill. A late payment charge at the rate of one and one-half percent (1 1/2%) per month will be billed on all amounts not paid by that date. (Further details in Section 4 of P.S.C. No. 119 - Electricity or superseding issues thereof.)

TERM:

One month and thereafter until terminated by 48 hours' written notice.

Issued in compliance with Order in Case 07-M-0548 dated 06/23/08.

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