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PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Revision: 9

Initial Effective Date: March 1, 2006

Superseding Revision: 6

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS:

(a) Space Heating Service:

(Service under this provision will no longer be available to new customers after November 1, 1977.)

Any customer using general service under this Service Classification and also using electricity as the sole source of space heating in a premises or segregated portion of a premises may, upon written application to the Corporation, have the energy used for such space heating, as well as air conditioning and water heating for such electrically heated space, separately metered. The separately metered space heating service will be charged under the same rate choice the customer selected for their non-heating service under this Service Classification.

The per kilowatt-hour rate for such separately metered space heating service under the selected rate choice is as shown below. There is a separate minimum charge. A complete description of these rate choices appears previously in this Service Classification.

Effective Date 01/01/07	ESCO Price Option * (EPO)	NYSEG Variable Price Option* (VPO)
Energy Charge (All kilowatt-hours, per kilowatt-hour)	\$0.02167	\$0.02167
Merchant Function Charge (All kilowatt-hours, per kilowatt-hour)	N/A	\$0.0013

^{*}Customers are responsible for a separate per kilowatt-hour Transition Charge (Non-Bypassable Charge) and any Commodity Charges at the same rate associated with the selected rate choice for their non-heating service.

Effective Date 01/01/07	NYSEG Fixed Price Option (FPO)	ESCO Option with Supply Adjustment (EOSA)
Delivery Charges		, , ,
Energy Charge (All kilowatt-hours, per kilowatt-hour)	\$0.02167	\$0.02167
Transition Charge (All kilowatt-hours, per kilowatt-hour)	\$0.00065	\$0.00065
Commodity Charge (All kilowatt-hours, per kilowatt-hour)	\$0.09878	\$0.09878
Merchant Function Charge (All kilowatt-hours, per kilowatt-hour)	\$0.0013	N/A

^{*} The Transition and Commodity Charges for NYSEG's Fixed Price Option (FPO) may be revised every six months on April 1 and October 1 of each year to reflect increases in the cost of providing fixed commodity service. The revised Transition and Commodity Charges will be calculated using the methodology approved by the Commission in Case 05-E-1222. However, the re-calculated charges will only be utilized when the total of the Transition and Commodity Charges is higher than the total of Transition and Commodity Charges that became effective January 1 of the two-year Commodity Rate Period. Such revised charges will be applicable only to a customer who chooses or is placed on the NYSEG Fixed Price Option (FPO) or the ESCO Option with Supply Adjustment (EOSA), on or after the effective date of the revision. The revised charges will remain in effect for such customers through the end of the two-year Commodity Rate Period, regardless of whether the customer chooses the FPO or EOSA.

NYSEG will file such revised FPO charges with the Public Service Commission not less than three days prior to the effective date of the revised rate.

The minimum charge is the Demand Charge based on the current month's actual billing demand. Service under this Special Provision (a) will be supplied on an annual basis for as long as non-heating service is supplied under this Service Classification.

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