PSC No: 120 - Electricity New York State Electric and Gas Corporation Initial Effective Date: March 1, 2006 Leaf No. 142 Revision: 3 Superseding Revision: 1

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(f) Economic Incentives: (Cont'd)

(7) Business Retention Incentive:

This provision expired on March 2, 2003. Any customers who were receiving the BRI discount as of that date, may transition to the Economic Revitalization Incentive (ERI), as described in General Information Section 7 of this Schedule, for the remainder of their five-year term.

The transition will be based on the start date of their BRI discount, and the following incentive rate reductions will apply:

- A customer in the first, second, or third year of BRI would receive the full ERI reduction for those years.
- A customer in the fourth year of BRI would receive the ERI reduction multiplied by a factor of .66 for that year.
- A customer in the fifth (and final) year of BRI would receive the ERI reduction multiplied by a factor of .33 for that year.
- (8) Small Business Growth Incentive ("SBGI"):

As provided in Section 19 of the General Information section of this Schedule, this provision expired on December 31, 2006.

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