

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: March 1, 2006

Leaf No. 170
Revision: 4
Superseding Revision: 2

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) Economic Incentives: (Cont'd)

(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.

(9) Incremental Load Incentives ("ILI"):

Customers who qualify, under the Incremental Load Incentive (ILI) in Section 25 of the General Information section of this Schedule may select one of the following rate options, as specified in this Service Classification and Section 12, Customer Advantage Program, of this Schedule, for such qualified incented load: 1) NYSEG Fixed Price Option (FPO), 2) NYSEG Variable Price Option (VPO), or 3) ESCO Price Option (EPO).

Such customers will have their service bills reduced, for a term of 60 months, by an incentive rate per kilowatt-hour for all qualified kilowatt-hours used thereunder.

The incentive rate will be the equivalent of the applicable Transition Charge (NBC), as described in this Service Classification, less the ancillary service costs and NTAC components of the Transition Charge, to the extent that the Transition Charge exceeds the ancillary service costs and NTAC components.

The incentive rate for such qualified load billed at EPO or VPO may change monthly due to the fluctuating Transition Charge. An Economic Incentive Rate (EIR) Statement setting forth the monthly incentive rates for each rate option will be filed with the Public Service Commission on not less than three (3) days' notice prior to the first day of each month. Such statement can be found at the end of this Schedule (PSC 120 - Electricity).

(e) Controlled Load Time-of-Use Service Option:

Customers who have a total connected load of at least 25 kW, with at least 12.5 kW of that load being newly installed controlled equipment, may choose to take their entire service under Service Classification No. 7 with Time-of-Use metering. Controlled Load equipment will include, but not be limited to, Electric Thermal Storage equipment (E.T.S.), Air Conditioning equipment, Water Heating or other Heating/Cooling installations which are designed to operate advantageously during off-peak hours as defined in Service Classification No. 7.

(f) Plattsburgh Air Force Base

Eligibility:

This provision is applicable to Plattsburgh Airbase Redevelopment Corporation ("PARC") and PARC customers served by the electrical delivery system of the former Plattsburgh Air Force Base as of September 30, 2003.

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