PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: 10/01/04 Leaf No. 33 Revision: 1 Superseding Revision: 0

GENERAL INFORMATION

12. Customer Advantage Program: (Cont'd.)

E. Default Process at the Close of the Enrollment Period:

The Second Enrollment Period will close at 7 p.m. on December 30, 2004, and thereafter NYSEG will process all customers' rate selections to become effective January 1, 2005.

1. Default when no enrollment option has been selected by 7 p.m. on December 30, 2004:

A customer for whom NYSEG has not received an enrollment option will default to the rate option the customer was on as of December 30, 2004.

2. Default for Multiple Metered Account:

If no enrollment option is received for an account, the default rate option for the main meter of that account will be applied to any other meters associated with that account. If an enrollment is received for an account, the selected rate option will be applied to any other meters associated with that account. An outdoor light will be billed at the option selected or defaulted to for the main meter on an account.

3. Temporary Rate Assignment Prior to Retail Access Start or End Date:

(a) BRO to ERO:

A NYSEG Fixed Price (BRO) customer, whose supplier elected the Competitive Supplier Price (ERO) rate and enrolled the customer in Retail Access prior to January 1, 2005, but whose first scheduled or Special Meter Reading date (effective date) will not occur until after January 1, 2005, will be billed at the NYSEG Fixed Price (BRO) from January 1, 2005 until the customer's first scheduled or Special Meter Reading date. After that meter read, usage will be billed at the Competitive Supplier Price (ERO) rate.

(b) VRO to ERO:

A NYSEG Variable Price (VRO) customer, whose supplier elected the Competitive Supplier Price (ERO) rate and enrolled the customer in Retail Access prior to January 1, 2005, but whose first scheduled or Special Meter Reading date (effective date) will not occur until after January 1, 2005, will be billed at the NYSEG Variable Price (VRO) from January 1, 2005 until the customer's first scheduled or Special Meter Reading date. After that meter read, usage will be billed at the Competitive Supplier Price (ERO) rate.

c) BRO to BRO w/RAC:

A NYSEG Fixed Price (BRO) customer, whose supplier elected the NYSEG Fixed Price with Supply Credit (BRO w/RAC) rate and enrolled the customer in Retail Access prior to January 1, 2005, but whose first scheduled or Special Meter Reading date (effective date) will not occur until after January 1, 2005, will be billed at the NYSEG Fixed Price (BRO) from January 1, 2005 until the customer's first scheduled or Special Meter Reading date. After that meter read, usage will be billed at the NYSEG Fixed Price with Supply Credit (BRO w/RAC) rate.

Issued in compliance with Orders in Case 01-E-0359 dated 02/27/2002 and 11/22/2002.

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