PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: 10/01/04 Leaf No. 31 Revision: 1 Superseding Revision: 0

GENERAL INFORMATION

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

D. Enrollment for Rates Effective January 1, 2005:

The Enrollment Period begins October 1, 2004 and ends at 7 p.m. on December 30, 2004. A customer's electric rate option selection made during this period will become effective on January 1, 2005 and will continue through December 31, 2006, unless the customer elects a rate change, pursuant to the rules set forth below in Section 12.G.

On or after October 1, 2004, any customer may communicate an electric rate option selection using one of the following methods: (1) calling NYSEG's telephone Voice Response Unit (VRU), (2) accessing NYSEG's Web site, www.nyseg.com, (3) returning the enrollment form via US mail, (4) contacting NYSEG's Customer Relations Center, (5) using NYSEG's marketing/customer service representatives in any of NYSEG's district offices, or (6) advising the customer's ESCO that it is continuing or enrolling in Retail Access. Rate enrollment procedures for a customer who is not participating in Retail Access.

1. Non-Retail Access Choices:

NYSEG Fixed Price (BRO) and NYSEG Variable Price (VRO) are the two Non-Retail Access choices available to all customers, except as noted above in Section 12.C. A customer currently enrolled in Retail Access who would like to elect a Non-Retail Access rate must follow the enrollment procedures set forth in this Schedule at Section 12.D.4 below.

2. Retail Access Choices:

Competitive Supplier Price (ERO) is available to all customers, except as noted above in Section 12.C. If a customer is participating in Retail Access under the BRO w/RAC option at the beginning of the Enrollment Period (by October 1, 2004) or if the customer's ESCO has successfully communicated a NYSEG Fixed Price (BRO) customer's valid Retail Access enrollment information to NYSEG by December 30, 2004, such customer is also eligible for the NYSEG Fixed Price with Supply Credit (BRO w/RAC).

A customer participating in Retail Access under the BRO w/RAC option at the beginning of the Enrollment Period (by October 1, 2004) or a customer whose ESCO has communicated a BRO customer's Retail Access enrollment information to NYSEG by December 30, 2004, must contact its ESCO to choose the appropriate rate (<u>i.e.</u>, BRO w/RAC or ERO). The ESCO will then contact NYSEG directly to convey the customer's Retail Access enrollment rate choice that will become effective on their next read date. (The retail access option to become effective at a pre-12/30/04 meter read date will be in accordance with Section 12.G.) A NYSEG Fixed Price (BRO) customer enrolling in Retail Access on or after October 1, 2004 is required to provide an affirmation to its ESCO in substantially the same format as follows:

I understand that as a NYSEG Fixed Price customer of NYSEG, participating in Retail Access, I have the right to choose my commodity delivery options. My signature below (my affirmative response) indicates that I authorize the supplier providing service to me to convey my delivery option selection to NYSEG.

An ESCO may only enroll a NYSEG Variable Price (VRO) customer in the Competitive Supplier Price (ERO) retail access option. An ESCO may not enroll a VRO customer in the BROw/RAC option.

A customer participating in Retail Access under the ERO retail access option is not eligible to enroll in the BRO w/RAC retail access option.

Issued in compliance with Orders in Case 01-E-0359 dated 02/27/2002, 10/09/2002, 11/22/2002 and 05/09/2003.

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