PSC No: 120 - Electricity New York State Electric and Gas Corporation Initial Effective Date: October 1, 2005 Leaf No. 18 Revision: 1 Superseding Revision: 0

GENERAL INFORMATION

4. Surcharge to Collect System Benefits Charge ("SBC")

The energy charges on customers' bills for service under Service Classification Nos. 1, 2, 3, 5, 6,7, 8, 9, 11, 12, 13, and 14 will be increased by multiplying all kilowatt-hours delivered by a surcharge to be determined annually. The surcharge is imposed pursuant to Commission Order Continuing and Expanding the System Benefits Charge for Public Benefit Programs, issued and effective January 26, 2001, in Case 94-E-0952. The surcharge will be calculated on an annual basis to collect the Corporation's allocated fund amount of \$21,645,000 based on year-by-year projections of the following year's electric sales. Any over or under-collections will be trued up on an annual basis. One-half the annual amount shall be collected during the first half of calendar year 2006. The surcharge will be effective with usage billed on and after March 3, 2001 through June 30, 2006.

5. Surcharge to Collect Renewable Portfolio Standard Charge ("RPS")

The energy charges on customers' bills for service under Service Classification Nos. 1, 2, 3, 5, 6, 7, 8, 9, 11, 12, 13, and 14 will be increased by multiplying all kilowatt-hours delivered by a surcharge to be determined annually. The surcharge is imposed pursuant to Commission Order Regarding Retail Renewable Portfolio Standard, issued and effective September 24, 2004, in Case 03-E-0188. The surcharge will be calculated on an annual basis to collect the Corporation's allocated fund amount based on the Order and will increase each October 1st. The surcharge will be effective with usage billed on and after October 1, 2005 through September 30, 2013. Any over- or under-collections will be trued up on an annual basis.

Issued in compliance with order in Case No. 03-E-0188 dated 09/24/04.

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