

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: December 22, 2004

Leaf No. 224
Revision: 1
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(c) Interruptible Service:

This Special Provision is no longer available to additional customers on or after December 22, 2004. Customers being served under this provision as of December 21, 2004, will be permitted to continue such service until its termination on December 31, 2006, provided the customer continues to meet the requirements of contracting for a non-interruptible demand of 1,000 kW or more, taking service directly from the Corporation's primary distribution system to 34.5 KV (Regulated)*; 34.5 or 46 KV (Non-Regulated) and 34.5 kV (Regulated) subtransmission system (for "Grandfathered Customers" only)*; or 115 KV or above transmission system (Non-Regulated*) and whose maximum demand is at least 150% of the contract, non-interruptible demand.

*Effective February 15, 2000.

Billing under this provision will be at the rates and charges set forth in this Service Classification. The Company will bill the Interruptible load at NYSEG's Fixed Price (BRO) rate, pursuant to Section 12, Customer Advantage Program, of this Schedule. The Non-interruptible load may be served under any rate choice.

If the maximum on-peak demand is less than the contract non-interruptible demand, the billing demand will be equal to the greater of:

- (1) The maximum on-peak demand.
- (2) The contract non-interruptible demand multiplied by the percentages stated in the DETERMINATION OF DEMAND section of this Service Classification.

Contract non-interruptible demand will equal the firm power contracted for by the customer for use during periods of interruption. The customer may annually re-specify the level of contract non-interruptible demand prior to April 30 of each year. However, the specified level of demand may not be less than the lowest level achieved during the previous twelve months.

A monthly credit for Interruptible Service will equal the maximum on-peak demand minus the contract non-interruptible demand multiplied by the following credit for the applicable Service level:

| | |
|--------------------------------|--------|
| Transmission, per kW | \$1.99 |
| Subtransmission, per kW | \$2.03 |
| Primary (Distribution), per kW | \$2.08 |

If a customer does not interrupt load when requested, and if the customer has not arranged to make a purchase under the "Buy-Out" option of this provision, a penalty will be added to the customer's bill, equal to 150% of the difference between the customer's contract non-interruptible demand and the average demand established during periods in which an interruption is requested during the month, multiplied by the applicable credit.

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