

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 14, 2004

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SERVICE CLASSIFICATION NO. 11 (Continued)

OPTIONAL STANDBY SERVICE RATE PHASE-IN IS APPLICABLE TO: (Cont'd.)

3. Phase-In and/or Designated Technology Exemption of Standby Rates

- a) Existing Customers shall take service under this Service Classification and be subject to a phase-in of these standby service rates, as discussed below, unless they make a one-time election to take service at the full standby service rates, providing thirty (30) days written notice, no later than March 1, 2004, subject to the availability of interval metering, if applicable.
- b) Customers whose facilities are placed in service between July 29, 2003 and May 31, 2006, and meet the definitions of both Existing Customers and Designated Technology Customers, will be considered to be Designated Technology Customers for purposes of this section.
- c) Designated Technology Customers whose facilities are placed in service between July 29, 2003 and May 31, 2006, have the option to make a one-time election to be permanently exempt from standby service rates rather than electing the phase-in or full standby service rates upon providing thirty (30) days written notice before commencing operation of the OSG facility; provided, however, that if operation commenced between July 29, 2003 and January 31, 2004, the Customer must make its one-time election by March 1, 2004.
- d) Designated Technology Customers whose facilities are placed in service between June 1, 2006 and January 31, 2011, shall take service under this Service Classification and be subject to the phase-in described below, unless they make a one-time election in writing no less than thirty (30) days before commencing operation of the OSG facility to be billed at full standby service rates.
- e) Existing OSG projects that upgrade by installing designated technology components, or hybrid projects comprised in part of designated technology components, are eligible for the designated technology exemption only for the upgraded components and only if those components are separately metered.

Issued in compliance with order in Case No. 02-E-0779 dated May 7, 2004.

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