

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: February 1, 2004

Leaf No. 282  
Revision: 1  
Superseding Revision: 0

STANDBY SERVICE RATE  
SERVICE CLASSIFICATION NO. 11

**APPLICABLE TO USE OF SERVICE FOR:**

Delivery of standby service for any customer where all or a portion of a customer's electricity is supplied from On-Site Generating facilities ("OSG") without using the Company's delivery system (defined as the distribution and/or transmission system, regardless of voltage or functional classification). An OSG, whether owned by the customer or a third party, can produce electricity primarily to serve the customer's native load, to sell in the wholesale market or to carry out a combination thereof. Such OSG may be connected with the Company's delivery system for parallel operation, or operate under the control of a single pull, double-throw switch (or similar device). For customers with multiple electrical services, this tariff applies to each of the customer's electrical services that are not electrically isolated from the OSG. All separately metered electricity supply and/or delivery service not otherwise served by the OSG (e.g., separate delivery service to the facility's guardhouse or other facilities electrically isolated from the OSG) will be provided under the Otherwise Applicable Service Classification ("OASC").

Before a customer is allowed to install and operate an OSG, the customer must submit design and operating information for the proposed OSG in accordance with the appropriate application and review process described in NYSEG's "Bulletin 86-01 Requirements for Independent Power Producers of Electricity" ("Bulletin 86-01").

A customer operating OSG with a total nameplate rating equal to, or expected to be equal to, fifteen percent (15%) or less of its maximum potential demand served by all sources, as that maximum potential demand is reasonably determined by the Company, will take service under the OASC. NYSEG may disqualify a customer from Standby Service if the Company can demonstrate that the customer (a) has installed OSG with a total nameplate rating greater than fifteen percent (15%) of its load, but (b) has not operated or is not operating that OSG in a material manner in order to serve the customer's load.

A customer who declines service under this tariff is required to electrically isolate its facility from the Company's delivery system, and the Company will not be required to maintain electric delivery service to that customer's facility. A facility will be deemed "electrically isolated" as set forth below.

**Electrically Isolated Loads:**

If a customer elects to electrically isolate and serve its load with OSG without connection to the Company's system, the isolated portion of that customer's load will not be subject to standby service -- provided that the customer executes a letter agreement with the Company that provides for the following:

- a) the Company will be entitled to inspect the electrical configuration of the OSG facilities upon a customer's request for this exemption;
- b) if, at any time, the Company has a reasonable concern that the customer's OSG facilities have not remained isolated from the Company's system, the Company is authorized to inspect the electrical configuration of such facilities, and the customer must cooperate with that inspection; and

Issued in compliance with orders in Case No. 02-E-0779 dated 07/30/03 and Case No. 03-E-1552 dated 11/28/03.

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