

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
Initial Effective Date: December 1, 2003

Leaf No. 25  
Revision: 0  
Superseding Revision:

## GENERAL INFORMATION

### 9. Economic Development Zone Incentive: (Cont'd)

A qualified customer may choose to take its entire service under S.C. No. 7 for the duration of the incentive term, and at the end of the incentive term such customer may either remain on the Service Classification No. 7 or revert to the otherwise applicable service classification. A customer who otherwise would be billed under S.C. No. 6 or 9, who does not choose to take service under S.C. No. 7, will be billed under S.C. No. 2 – General Service (Secondary Voltages with Demand Billing).

To qualify for the EDZI, an eligible customer, upon application, must present the Corporation with the appropriate certification from the approved Economic Development Zone Administrator. For customer load that qualified prior to July 1, 2003, the EDZI will be applied for a period of ten (10) years, beginning on the date of the qualifying load installation and operation, unless the customer's initial zone certification(s) becomes invalid, notwithstanding the expiration of the designation of an Economic Development Zone in the area where the customer is located. For customer load that qualifies on or after July 1, 2003, the EDZI will be applied for a period of ten (10) years following initial zone certification, beginning with the eligibility date on the certificate, unless the customer's initial zone certification(s) becomes invalid, notwithstanding the expiration of the designation of an Economic Development Zone in the area where the customer is located.

A qualified customer will have his monthly service bills reduced by the amount per kilowatt-hour (kWh) stated in the applicable Special Provision for Economic Incentives, for all kWh (excluding kWh associated with load supplied by the New York Power Authority) in excess of a base amount of kWh established for each monthly billing period. For an existing customer, the base amount of kWh will be based on a one-year historical period, actual or estimated, as determined by the Corporation prior to qualification for the incentive. For a prospective customer, the base amount of kWh will be zero. For load qualified prior to July 1, 2003, each month, the excess kWh qualifying for the incentive will be limited to 730 hours times the nameplate or rated demand of the equipment initially installed to qualify for the incentive. For load qualified on or after July 1, 2003, there will be no such limitation (e.g., 730 hours use) on the kWhs to which the incentive will apply.

Such economic incentive rate per kWh in effect at the time of qualification will be applied to that customer's bill for the duration of the customer's valid certification, as specified above.

#### Eligibility for Rate Options

Customers receiving an Economic Development Zone Incentive (EDZI) for load qualified on or after July 1, 2003 may select one of the following rate options, as specified in General Information Section 12, Customer Advantage Program, of this Schedule, for such qualified incented load: 1) NYSEG Fixed Price (BRO), 2) NYSEG Variable Price (VRO), or 3) Competitive Supplier Price (ERO). The incentive rate reduction applicable to the qualified incented load under each rate option is set forth in the applicable Special Provision for Economic Incentives of the respective service classifications.

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