

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

Leaf No. 309  
Revision: 0  
Superseding Revision:

SERVICE CLASSIFICATION NO. 13 (Continued)

SERVICE AGREEMENT: (Cont'd)

- (E) The overall plan must be accompanied by a sworn affidavit of the senior manager or officer at the customer's facility, representing that the information submitted is true and that absent the Service Agreement, the customer could no longer continue to operate its existing facility in a manner consistent with recent historical practices or to commence operations of a facility in the Corporation's service territory. The affidavit submitted by the customer shall also include a commitment to continue to assess in good faith the resulting recommendations from the comprehensive production analysis and energy audit for inclusion in the customer's facility, throughout the term of the agreement.
- (F) For Service Agreements negotiated after August 1, 1998, NYSEG will not require as a condition of contract, that a customer purchase its Electric Power Supply from the Corporation. An Eligible Customer whose Service Agreement allows and who otherwise qualifies for General Retail Access pursuant to NYSEG's General Information Section 16 of this Schedule may elect to purchase Electric Power Supply from an ESCO.

Terms and conditions of service included in each Service Agreement required for service hereunder will be established in a manner which does not unduly discriminate between similarly situated customers.

The first negotiated Service Agreement between the Corporation and Customer will be submitted to the Public Service Commission Staff for review. For the initial and subsequent contracts, a summary of each Service Agreement in effect shall be included on a listing appended to this tariff rate schedule, Service Classification No. 13, pursuant to Commission Order Concerning Tariffs Authorizing Individually Negotiated Contracts, issued and effective May 8, 1992 in PSC Case 91-M-0927.

RATE:

The specific charges for service under this service classification will be stated in the negotiated Service Agreement executed for each customer served hereunder. A summary of the Rates and Charges will be filed with the Public Service Commission, as required, as an addendum to this schedule.

The rate contained in any Service Agreement will, at a minimum, recover the Corporation's marginal cost plus at least 1 cent per kWh ("Marginal Cost Floor"). Such recovery under each Service Agreement will be calculated by using a rolling 12-month methodology. As part of calculating a customer's monthly bill, the Corporation will compare the customer's previous 12-month contracted Service Agreement billed amount to the previous 12-month Marginal Cost Floor amount for the applicable contracted electric usage during that 12-month period. When the contracted Service Agreement billed amount is less than the Marginal Cost Floor amount for that same period, the Corporation will adjust the customer's current bill to recover that deficiency.

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