PSC No: 120 - Electricity New York State Electric and Gas Corporation Initial Effective Date: December 1, 2003 Leaf No. 112 Revision: 0 Superseding Revision:

GENERAL INFORMATION

20. Emergency Demand Response Program ("EDRP")

PURPOSE:

In response to the Commission Orders of December 20, 2000, and April 18, 2001, in Case No. 00-E-2054 as the same may be revised, modified, amened, clarified, supplemented or superseded, the Company seeks to provide customers with an economic incentive to respond to Emergency Operating Conditions as identified by the New York Independent System Operator ("NYISO"). EDRP can provide the NYISO, through the Company, with the ability to request voluntary load curtailment or replacement by participating customers for electric usage.

APPLICABLE TO THE USE OF SERVICE FOR:

Commercial, Industrial and Public Authority customers. Applicability is limited to customers who agree voluntarily, and have the capability to, curtail and/or replace at a single meter at least 100 kW per hour of electric usage. Customers may be simultaneously eligible for more than one load curtailment program.

TERM:

The customer shall complete NYSEG's "C.A.\$.H.BACK Program Customer Registration Form" and execute a one-year "Participation Agreement." The Company will process any application within no more than seven calendar days, subject to any processing time required by the NYISO, and will notify customers as to when their load may first be offered to the NYISO. Any customer under contract to participate in this Emergency Demand response Program may not participate in EDRP through another Curtailment Service Provider ("CSP") including as a Direct Customer or end use customer of the NYISO.

CUSTOMER BASELINE LOAD ("CBL")

The CBL will provide a reference to verify customer compliance with a scheduled curtailment. The CBL is determined in accordance with the NYISO EDRP Manual, Calculation of Customer Baseline. Load curtailments will be measured based on this CBL methodology.

ADDITIONAL METERING:

The customer shall have installed the necessary equipment, including interval metering at each participating meter location. Such metering will be installed, controlled, operated and maintained by the Company at the customer's expense. Regardless of which CSP the customer may choose, the Company may require installation of additional communication equipment, software and a monthly subscription service needed for the determination of CBL and for the administration of this and any other curtailment program. A customer that participates in the EDRP will be responsible for only those metering costs not covered by discounts provided by NYSERDA, or any other non-NYSEG source. Qualified participating customers receiving metering from competitive metering providers may participate in the EDRP using metering equipment and communications capabilities that the Company has determined can provide the necessary hourly interval usage data.

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