

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

Leaf No. 281  
Revision: 0  
Superseding Revision:

SERVICE CLASSIFICATION NO. 10 (Continued)

SPECIAL PROVISIONS: (Cont'd)

D. At the time of Agreement, the customer with on-site non-utility generation facilities greater than 15 kW may choose to pay the Corporation actual charges for maintenance, as they may occur, on interconnection equipment paid for by the customer and owned by the Corporation; or the customer may choose to pay an annual carrying charge of 9% (subject to review in the Corporation's rate case proceedings) on the total investment in such equipment which shall be payable upon the initiation of service and on the annual anniversary of the agreement for service hereunder. If the interconnection costs charged by the Corporation are disputed by the customer, such dispute will be subject to arbitration by the Public Service Commission.

E. Customers who deliver power to the Corporation at subtransmission or transmission service voltage during on-peak periods and, at the same site, also purchase power from the Corporation at such voltages during on-peak periods shall, to the extent such purchases are matched by deliveries of power to the Corporation, have the following demand payments added to the on-peak kWh payments above:

Transmission	\$.01074/kWh
Subtransmission	\$.01095/kWh

Customers electing to deliver power to the Corporation under this Special Provision are required to record both deliveries and purchases with suitable time differentiated kilowatt-hour metering devices satisfactory to the Corporation.

F. If the measured demand exceeds the current Contract Demand by 10 percent or less, a surcharge equal to 12 times the monthly Contract Demand charge for such excess demand will apply to that monthly bill, and the Contract Demand will then be determined in accordance with the provisions of Determination of Demand above.

If the measured demand exceeds the current Contract Demand by more than 10 percent, a surcharge equal to 24 times the monthly Contract Demand charge for such excess demand will apply to that monthly bills, and the Contract Demand will then be determined in accordance with the provisions of Determination of Demand above.

G. A customer operating a qualifying facility, construction of which commenced prior to November 9, 1978, may negotiate a special contract with the Corporation, at the termination of any existing contract or when permitted by an express provision in the contract, to begin to receive a rate that would in 1986 be set at 50% of full avoided costs and in each succeeding year would increase by five percentage points such that by 1996 all such facilities would receive 100% of full avoided costs.

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