

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: October 30, 2005

Leaf No. 166  
Revision: 7  
Superseding Revision: 4

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) Economic Incentives: (Cont'd)

(3) Economic Development Zone Incentive: (Cont'd.)

The incentive rate for such qualified load billed at EPO or VPO may change monthly due to the fluctuating Transition Charge. An Economic Incentive Rate (EIR) Statement setting forth the monthly incentive rates for each rate option will be filed with the Public Service Commission on not less than three (3) days' notice prior to the first day of each month. Such statement can be found at the end of this Schedule (PSC 120 - Electricity).

The qualified incented load will be billed at the following applicable FPO, VPO, or EPO rates:

NYSEG Fixed Price Option (FPO)\*:

PRIMARY VOLTAGE	Effective Date*		
	01/01/05	04/01/05	10/01/05
<b>Delivery Charges</b>			
Customer Charge	\$35.00	\$35.00	\$35.00
Demand Charge (All kilowatts, per kilowatt)	\$5.10	\$5.10	\$5.10
Energy Charge (All kilowatt-hours, per kilowatt-hour)			
Up to and including 200 hours use of metered demand	\$0.00455	\$0.00455	\$0.00455
Over 200 hours use and up to and including 350 hours use of metered demand	\$0.00410	\$0.00410	\$0.00410
Over 350 hours use of metered demand	\$0.00328	\$0.00328	\$0.00328
<b>Transition Charge</b> (All kilowatt-hours, per kilowatt-hour)	\$0.01540	\$0.01359	\$0.00385
Sur-Credit Applicable 9/1/06-12/31/06 (All kilowatt-hours, per kilowatt-hour)	(\$0.0050)	(\$0.0050)	(\$0.0050)
<b>Commodity Charge</b> (All kilowatt-hours, per kilowatt-hour)	\$0.06802	\$0.07468	\$0.10176
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00095	\$0.00095	\$0.00095

\* These rates may be revised every six months on April 1 and October 1 of each year, as explained in Rate Choices Available to Customers, NYSEG Fixed Price Option (FPO), in this Service Classification.

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