PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: October 30, 2005 Leaf No. 34 Revision: 2 Superseding Revision: 1

GENERAL INFORMATION

12. Customer Advantage Program: (Cont'd.)

F. Grace Period:

NYSEG has established a Grace Period for a customer who has chosen or defaulted to the NYSEG Fixed Price Option (FPO), but who would rather select the ESCO Price Option (EPO). The Grace Period runs from January 1 through the last business day in April of the first year of each Commodity Option Period. The ESCO must submit the customer's valid enrollment information to NYSEG by 4:30 p.m. on the last business day of the Grace Period.

1. NYSEG Fixed Price Option (FPO) by Default:

During the Grace Period, NYSEG will notify each customer who defaulted to NYSEG Fixed Price Option (FPO) as a reminder of the ability to choose the ESCO Price Option (EPO) during the Grace Period. If the defaulted customer decides to exercise its ability to elect the ESCO Price Option (EPO) during the Grace Period, the defaulted customer should obtain an ESCO that will then enroll the customer in Retail Access and the ESCO Price Option (EPO) rate option.

2. Customer Selected NYSEG Fixed Price Option (FPO):

A customer who chose NYSEG Fixed Price Option (FPO), but who would rather select the ESCO Price Option (EPO) during the Grace Period, may contact an ESCO if it desires to choose the ESCO Price Option (EPO). In turn, the customer's ESCO should contact NYSEG to communicate the customer's rate option change to the ESCO Price Option (EPO) and the Retail Access enrollment information.

Customers who have chosen or defaulted to the NYSEG Fixed Price Option (FPO), but who then select the ESCO Price Option (EPO) during the Grace Period will be required to provide an affirmation to its ESCO in substantially the same format as follows:

I understand that as a customer of NYSEG, participating in Retail Access, I have the right to choose my commodity delivery options. My signature below (my affirmative response) indicates that I authorize the supplier providing service to me to convey my delivery option selection to NYSEG.

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