PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: October 30, 2005 Leaf No. 36 Revision: 2 Superseding Revision: 1

GENERAL INFORMATION

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

G. Changing Electric Rate Options: (Cont'd.)

2. Rate Option Changes for Large Customers: (Cont'd.)

(a) Large Customer - ESCO Price Option (EPO)

A Large customer taking service under the ESCO Price Option (EPO) may change only to the NYSEG Variable Price Option (VPO).

(b) Large Customer - ESCO Option with Supply Adjustment (EOSA)

A Large customer taking service under the ESCO Option with Supply Adjustment (EOSA) may change only to the NYSEG Fixed Price Option (FPO). Although the rates for the FPO may be adjusted every six months, a customer on the EOSA rate option who leaves retail access will not receive a FPO rate adjustment when switching from EOSA to FPO.

(c) Large Customer - NYSEG Variable Price Option (VPO)

A Large customer taking service under the NYSEG Variable Price Option (VPO) may change only to the ESCO Price Option (EPO).

(d) Large Customer - NYSEG Fixed Price Option (FPO)

A Large customer taking service under the NYSEG Fixed Price Option (FPO) may change only to the ESCO Option with Supply Adjustment (EOSA). During the Grace Period, an additional option may apply, as described above in Section 12.F.

Although the rates for the FPO may be adjusted every six months, a customer on the FPO rate option who moves to retail access will not receive a FPO rate adjustment when switching from FPO to EOSA.

3. Process for Changing to a Retail Access Rate Option:

A customer that participates in Retail Access should consult and work with its ESCO to determine the appropriate NYSEG electric rate option. Any NYSEG Fixed Price Option (FPO) customer changing to a Retail Access rate option (either ESCO Price Option [EPO] or ESCO Option with Supply Adjustment [EOSA]) will be required to provide an affirmation to its ESCO in substantially the same format as follows:

I understand that as a NYSEG Fixed Price Option 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.

To effectuate the rate change option, the customer's ESCO must contact NYSEG to submit the customer's Retail Access enrollment information and rate option selection. A customer that participates in Retail Access may switch from one ESCO to another, but must maintain the same electric rate option (either ESCO Price Option [EPO] or ESCO Option with Supply Adjustment [EOSA]).

To participate in retail access, a customer on the Variable Price Option (VPO) may only be enrolled in the ESCO Price Option (EPO).

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