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PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: August 29, 2005

Leaf No. 319

Revision: 1

Superseding Revision: 0

SERVICE CLASSIFICATION NO. 14 (Continued)

SPECIAL PROVISIONS:

C.A.\$.H.BACK

The Corporation will provide a voluntary program for load normally supplied and delivered by the Corporation, for eligible customers to curtail load. The Corporation's program, entitled C.A.\$.H.BACK, implements the NYISO's day-ahead economic load-curtailment program. Under this program, a Customer agrees to curtail load when their bid is submitted and accepted by the NYISO.

Customers who are qualified under C.A.\$.H.BACK in Section 21 of the General Information section of this Schedule may participate in the NYSEG C.A.\$.H.BACK Program as set forth therein.

Emergency Demand Response Program ("EDRP"):

The EDRP seeks to provide customers with an economic incentive to respond to Emergency Operating Conditions as identified by the NYISO. EDRP can provide the NYISO, through the Corporation, with the ability to request voluntary load curtailment or replacement by participating customers for electric usage.

Customers who are qualified under EDRP in Section 20 of the General Information section of this Schedule may participate in the NYSEG EDRP as set forth therein unless the customer's contract specifically prohibits participation in the program.

Previous SC 14 Tariff

This provision is applicable to Individual Electric Service Agreements in effect prior to August 29, 2005.

APPLICABLE TO THE USE OF SERVICE FOR:

Electric service required to respond to non-residential customers' needs at a time when the electricity service markets become increasingly competitive. Through Individual Service Agreements signed under this tariff, the Corporation proposes to provide incentives and thus promote the location of new business ventures within the Corporation's territory, as well as promote the expansion of existing new or current non-residential customers. The customer shall assert via a sworn affidavit that it would not locate or expand in the Corporation's service territory, but for the combination of a comprehensive package of economic incentives or real property tax incentives and/or the award of an S.C. 14 contract. The corporation will make an independent verification of the customer's assertion. The potential cost to the customer of complying with environmental regulations sufficient to meet minimum environmental permitting requirements will be taken into consideration when determining whether a customer has a realistic competitive alternative.

Issued in compliance with order in Case 03-E-1761 dated 04/14/05.

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