

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: August 29, 2005

Leaf No. 316
Revision: 1
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 14 (Continued)

SERVICE AGREEMENT: (Cont'd)

(D) (Cont'd.)

- (2) The Customer agrees to evaluate and assess in good faith the implementation of energy efficiency improvements in the Customer's facility. This assessment may be accomplished through recommendations from a comprehensive production analysis or energy audit performed for the facility.
- (E) The Customer will provide, in a form acceptable to the Corporation, its pricing objective needed to attract the Customer or expand its usage. The pricing objective shall specify the relief from the otherwise applicable standard tariff rate that is necessary to attract the Customer or expand the Customer's load, recognizing contributions towards achieving that objective from other economic development entities.
- (F) The documentation shall demonstrate the Customer's participation in, or efforts to participate in, available State and/or local economic development programs as reviewed and attested to by the appropriate agency(ies) and Economic Development staff employed by the Corporation. To that end, the Corporation will coordinate a comprehensive program of development initiatives that are available and applicable from the private and/or public sector(s). Each Individual Electric Service Agreement will identify billing procedures provided under the economic development tariff, contract, and programs (including NYPA economic development programs), as appropriate.
- (G) The Individual Electric Service Agreement must be accompanied by a sworn affidavit of the senior manager or officer at the Customer's facility, representing that the information submitted is true and that absent the Individual Electric Service Agreement, the Customer would not have commenced taking or increased the use of electric service from the Corporation. The affidavit submitted by the Customer shall also include a commitment to continue to assess in good faith the resulting recommendations from any comprehensive production analysis and energy audit for inclusion in the Customer's facility, throughout the term of the Individual Electric Service Agreement.

Each Individual Electric Service Agreement will be jointly filed with the Public Service Commission ("PSC"), by the Corporation and the Customer pursuant to the PSC's Order Approving Guidelines For Flexible Rate Service Contracts, issued and effective April 14, 2005 in PSC Case 03-E-1761 (the "April 2005 Order"). The filing and any subsequent information requested by the PSC or its Staff regarding the Individual Electric Service Agreement will be subject to full confidentiality protection as a trade secret.

A quarterly report will be filed with the PSC pursuant the April 2005 Order. The report will be subject to full confidentiality protection as a trade secret.

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