

PSC NO: 121 ELECTRICITY
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 01/01/06

Leaf: 16
Revision: 1
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 1 (Cont'd.)

RATE CHOICES AVAILABLE TO CUSTOMERS:

Pursuant to NYSEG's Electric Rate Plan and Customer Advantage Program, General Information Section 12 of Schedule PSC 120, customers served under this Service Classification will choose from four different electric rate choices offered by the Company as described below. NYSEG will offer two Retail Access rate choices and two Non-Retail Access rate choices.

The two Retail Access choices (1 and 2 below) consist of the Competitive Supplier Price (also known as the ESCO Rate Option ["ERO"] in the Electric Rate Plan), and the NYSEG Fixed Price with Supply Credit (also known as the Bundled Rate Option with Retail Access ["BRO w/RAC"] in the Electric Rate Plan). The two Non-Retail Access choices (3 and 4 below) include the NYSEG Fixed Price (also known as the Bundled Rate Option ["BRO"]), and the NYSEG Variable Price (also known as the Variable Rate Option ["VRO"]).

NYSEG will provide Delivery Service only for the two Retail Access choices. Commodity Service will be provided by an Energy Services Company (ESCO).

1. Competitive Supplier Price (ERO)

This Retail Access choice includes a Monthly Operation and Maintenance Charge for luminaires and other facilities, fixed components for NYSEG delivery service, a Delivery Adjustment (credit) of \$0.004 per kWh, and a fluctuating Transition Charge (Non-Bypassable Wires Charge ["NBWC"]) described in this section. Pursuant to the Electric Rate Plan, the \$0.004 per kWh credit will apply unless and until replaced by the Commission in the Unbundling Track, Case No. 00-M-0504.

Kilowatt-hour use will be determined in accordance with General Information Section 2, Determination of Demand and Energy Use.

Issued by: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY