PSC NO: 121 ELECTRICITY NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: 01/01/06 Leaf: 20 Revision: 4 Superseding Revision: 3

SERVICE CLASSIFICATION NO. 1 (Cont'd.)

RATE CHOICES AVAILABLE TO CUSTOMERS: (CONT'D.)

3. NYSEG Fixed Price (BRO) (Cont'd.)

**The rate for NYSEG's Fixed Price (BRO) may be revised every six months on April 1 and October 1 of each year to reflect increases in the cost of providing fixed commodity service. The revised rate will be calculated using the methodology approved by the Commission in Case No. 01-E-0359 for calculating the commodity portion of BRO prices. Such revised rate will be utilized only if greater than the initial BRO rate effective January 1, 2005. However, the revised rate will be applicable only to a customer who chooses or is placed on the NYSEG Fixed Price (BRO) rate or the NYSEG Fixed Price with Supply Credit (BRO w/RAC) rate, on or after the effective date of the revision. The revised rate remains in effect for such customers through December 31, 2006, regardless of whether the customer chooses the BRO rate or BRO w/ RAC rate.

NYSEG will file such revised BRO rates with the Public Service Commission not less than three days prior to the effective date of the revised rate.

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