PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: 10/1/18 Issued in compliance with Order in Case No. 17-M-0815, dated 8/9/18. Leaf No. 261 Revision: 30 Superseding Revision: 29

SERVICE CLASSIFICATION NO. 8 (Continued)

MERCHANT FUNCTION CHARGE:

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply, as further explained in General Information Section 25.D. Customers whose electricity is supplied by an ESCO are not charged for this service.

MINIMUM CHARGE:

The minimum charge for service under this Service Classification is the monthly Customer Charge plus the Bill Issuance Charge, if applicable, as listed above.

SURCHARGE TO COLLECT SYSTEM BENEFITS CHARGE ("SBC"):

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Rule 4). See SBC Statement.

REVENUE DECOUPLING MECHANISM ("RDM"):

A customer taking service under this Service Classification shall be subject to a Revenue Decoupling Adjustment (as explained in this Schedule, General Information Rule 7). See RDM Statement

SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

RATE ADJUSTMENT MECHANISM ("RAM"):

The RAM shall be applied per kWh to all kWh delivered under this Service Classification (as explained in this schedule, General Information Rule 38). See RAM Statement.

TAX CREDIT ASSOCIATED WITH THE TAX CUTS AND JOBS ACT OF 2017:

The Tax Credit shall be applied per kWh to all kWh delivered and shall be applied per kW to all kW delivered under this Service Classification, (as explained in this Schedule, General Information Rule 8). See Tax Credit Statement.

INCREASE IN RATES AND CHARGES:

The rates and charges under this Service Classification, including minimum charges, shall be increased by a surcharge pursuant to Rule 6 of P.S.C. No. 120 to reflect the tax rates applicable within the municipality where the customer takes service.

TERMS OF PAYMENT:

All bills are rendered at the above "unit prices" and that amount is due on bills paid on or before the past due date indicated on the bill. A late payment charge at the rate of $1\frac{1}{2}$ % per month shall be billed on all amounts not paid by that date. (Further details in Section 4 of P.S.C. No. 119 - Electricity or superseding issues thereof.)

TERM:

One month and thereafter, or for customers initiating service on or after June 1, 1988, one year and thereafter, until terminated by 48 hours' notice. Service under this Service Classification, once terminated by the customer, shall be unavailable to said customer at the same premises for one year from the date of such cancellation.

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York