

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: February 1, 2016

Leaf No. 159
Revision: 8
Superseding Revision: 7

SERVICE CLASSIFICATION NO. 3 (Continued)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)

4. Hourly Pricing — Mandatory and Voluntary (Cont'd.)

NYSEG Hourly Day-Ahead Market Pricing Option ("Hourly Pricing") (Cont'd.)

Electricity Supply Charge: All kilowatthours, per kilowatthour

Customers served under this provision shall be charged for the energy component of supply based on their hourly metered usage and the hourly supply cost. The electricity supply charge is equal to the sum of the hourly metered usage multiplied by the New York Independent System Operator (NYISO) Day-Ahead Market (DAM) Location Based Marginal Price (LBMP) for the Zone in which the customer is electrically connected, adjusted for system losses (in table below), ancillary services, NTAC, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, and Supply Adjustment Charge. Capacity charges shall also be based on interval meter data. The DAM LBMP prices shall be the initial published DAM LBMP prices acquired by the Company. The customer's bill shall not be recalculated if such prices are modified by the NYISO at a later date.

Distribution loss factor:

Voltage Level	Service Classification	Energy Loss Factor
Subtransmission	3S	1.0150
Primary	3P	1.0377

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