Received: 02/16/2016 Status: CANCELLED Effective Date: 03/01/2016

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Revision: 27

Initial Effective Date: March 1, 2016

Leaf No. 133

Revision: 27

Superseding Revision: 26

Issued in compliance with Order in Cases 14-M-0094, 10-M-0457, 07-M-0548, 03-E-0188, and 13-M-0412, dated

January 21, 2016

SERVICE CLASSIFICATION NO. 2 (Continued)

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

MERCHANT FUNCTION CHARGE:

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply. 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 Customer Charge plus the Bill Issuance Charge, if applicable, as listed above, or as otherwise stated in the applicable special provisions.

The minimum charge for customers who choose to take all or part of their back-up or maintenance service under this service classification rather than under Special Provision (d) of the Company's Service Classification No. 11 is described in the "DETERMINATION OF DEMAND" section.

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 Section 4). See SBC Statement.

SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Section 28). See TSAS 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 Section 3). See RSS Statement.

COMPETITIVE METERING OPTION:

Qualified Customers who select the Competitive Metering Option must comply with the requirements specified in P.S.C. No. 119 - Electricity and specified in General Information Section 14 of this Schedule, and shall not be charged the Meter Ownership, Meter Services, and Meter Data Service Charges.

METER OWNED BY CUSTOMER, INSTALLED AND MAINTAINED BY THE COMPANY

Customers electing to own their own meters, as described in Section 3.A.2 of P.S.C. No. 119 - Electricity, shall not be charged the Meter Ownership Charge. This provision is separate and distinct from Competitive Metering.

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