PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: October 17, 2009

Leaf No. 276
Revision: 1
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 10 (Continued)

RATE TO BE PAID BY THE CORPORATION: (Per Month)

1. Prior to obtaining a PTID and bidding into the NYISO:

   For Energy Only Payment:

   If $Q_h > S_h$, the summation of:

   $$((0.90 * \text{Day Ahead LBMP}_h * S_h) + (0.90 * \text{Real Time LBMP}_h * (Q_h - S_h))) - \text{IncurredCost}_h$$

   If $Q_h < S_h$, the summation of:

   $$((0.90 * \text{Day Ahead LBMP}_h * S_h) + (\text{Real Time LBMP}_h * (Q_h - S_h))) - \text{Incurred Cost}_h$$

   Capacity Payment, if applicable: $(\text{UCAP}_m * \text{Capacity}_m)$

   Whereby:

   Day Ahead Locational Based Marginal Price ("Day Ahead LBMP$_h$") is the NYISO hourly Day Ahead LBMP applicable to the zone within which deliveries are made:

   Hourly Real Time Locational Based Marginal Price ("Real Time LBMP$_h$") is the NYISO hourly Real Time LBMP applicable to the zone within which deliveries are made;

   Incurred Cost is any charges assessed by the NYISO applicable to the customer;

   Unforced Capacity ("UCAP$_m$") is the Market-Clearing Price of capacity in \$/kW-month as determined from the NYISO's monthly UCAP Auction.

   Monthly Capacity ("Capacity$_m$") is the Unforced Capacity ("UCAP") recognized by the NYISO as applicable to capability requirements for the respective calendar month, as set forth in the NYISO Tariff, in kW.

   S_h is the Cogenerated Energy quantity scheduled, in MWh, by NYSEG upon the written request of customer, for each specific hour, in the NYISO in the Day Ahead market. The customer shall provide a written schedule by noon two business days prior to the day for which the schedule applies;

   Q_h is the Cogenerated Energy quantity delivered, in MWh, to the Delivery Point for a specific hour;

   h is the respective hour in each month; and

   n is the number of hours in each month.

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