PSC No: 120 - Electricity   Leaf No. 165
New York State Electric & Gas Corporation   Revision: 5
Initial Effective Date: January 1, 2010   Superseding Revision: 4

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d)   Economic Incentives: (Cont'd)

    (3) Economic Development Zone Incentive:

       Customers who qualify, under the Economic Development Zone Incentive (EDZI) in Section 9 of the General Information section of this Schedule, to receive an incentive for load qualified prior to July 1, 2003 shall take service under the NSS or ESS rate, as specified in this Service Classification and Section 25, Supply Service Options, for all of their load.

          Such customers will have their service bills reduced, for a term of ten (10) years beginning on the date of the qualifying load installation and operation (unless the customer's initial zone certification(s) becomes invalid), by $0.0225 per kilowatt-hour for all qualified kilowatt-hours used thereunder.

       Customers who qualify, under the Economic Development Zone Incentive (EDZI) in Section 9 of the General Information section of this Schedule, to receive an incentive for load qualified on or after July 1, 2003 may select one of the following rate options, as specified in this Service Classification and Section 25, Supply Service Options, for all of their load: 1) NYSEG Supply Service (NSS), 2) ESCO Supply Service (ESS), or 3) Hourly Pricing.

          Such customers will have their service bills reduced, for a term of ten (10) years following initial zone certification, beginning with the eligibility date on the zone certificate (unless the customer's initial zone certification(s) becomes invalid.

          Such customers will be exempt from paying the Transition Charge. If it is determined that a bill calculated with the incentive exceeds a bill calculated under the otherwise applicable standard service classification rates, the customer will pay the lower of the two bills.

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