

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: January 1, 2007

Leaf No. 111  
Revision: 3  
Superseding Revision: 0

#### GENERAL INFORMATION

##### 19. Incremental Load Incentive (ILI)

###### PURPOSE:

This service is designed to encourage business customers to locate or expand their facilities in the Company's service territory.

###### ELIGIBILITY CRITERIA:

- 1) The Incremental Load Incentive ("ILI") is available to prospective or existing non-residential and non-public authority customers with SIC codes 01-14 (Agriculture, Forestry, Fishing, and Mining), 20-39 (Manufacturing), 50 (Wholesale trade – durable goods), 51 (Wholesale trade – non-durable goods), 60-67 (Finance, Insurance, and Real Estate) or 73 (Business Services) and who qualifies for service under and in accordance with the provisions of Service Classification Nos. 2, 3, or 7. The eligible Prospective Customer or Existing Customer must add new or additional load of at least 25 kilowatts by constructing a new facility, expanding an existing facility, or redeveloping an existing facility that has been vacant for at least six months.
- 2) A Prospective Customer is defined as an applicant a) whose activities are largely or entirely different in nature from those of the previous customer; or b) whose activities are the same as those of a previous customer but who is a different owner of the business, or c) that will conduct business at a premise where business has not been conducted for at least six months prior to the application for ILI benefits; or d) that has obtained a business in a bankruptcy liquidation sale from the previous customer.
- 3) Existing Customer - Any current customer that a) satisfies the usage thresholds for additional qualifying equipment set forth below and b) does not satisfy the definition of a Prospective Customer above, will be deemed an eligible Existing Customer, entitled to receive an ILI incentive on increased usage in the qualified block(s) above a historic monthly base load of usage established before the addition of qualifying equipment.
- 4) Customers transitioning from the Incubator Development Incentive that continue to meet the requirements set forth in General Information Section 13 will be eligible to receive ILI benefits.

###### TERM:

ILI will be applied for a period of five years, to the qualified customer without extension.

Effective January 1, 2011, the ILI program will terminate. Such termination will not affect a customer who initiates ILI service by December 31, 2010; such qualified customer will continue ILI service until the completion of its five-year term.

Issued in compliance with order in Case No. 05-E-1222 dated 08/23/06.

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