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Status: CANCELLED Effective Date: 11/01/2006

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Leaf No. 117.17

Revision: 0

Initial Effective Date: November 1, 2006

Superseding Revision:

GENERAL INFORMATION

25. Pricing Options effective January 1, 2007: (cont'd.)

- H. Default Process at the Close of the Enrollment Period: (cont'd.)
 - 3. Temporary Rate Assignment Prior to Retail Access Start Date: (cont'd.)

(b) VPO/DSO to EPO:

A NYSEG Variable Price Option (VPO) customer or a NYSEG Default Supply Option (DSO) customer, whose supplier elected the ESCO Price Option (EPO) rate and enrolled the customer in Retail Access prior to January 1, of the Commodity Option Period, but whose next regularly scheduled actual, interim estimated, or Special Meter Reading date (effective date) will not occur until after January 1 of the Commodity Option Period, will be billed at the VPO or the DSO (as applicable) from January 1, until the customer's first scheduled or Special Meter Reading date. After that meter read, usage will be billed at the ESCO Price Option (EPO) rate.

(c) FPO to ESCO Option with Supply Adjustment (EOSA):

A NYSEG Fixed Price (FPO) customer, whose supplier elected the ESCO Option with Supply Adjustment (EOSA) rate and enrolled the customer in Retail Access prior to January 1, of the Commodity Option Period, but whose next regularly scheduled actual, interim estimated, or Special Meter Reading date (effective date) will not occur until after January 1, of the Commodity Option Period, will be billed at the NYSEG Fixed Price (FPO) from January 1, until the customer's first scheduled or Special Meter Reading date. After that meter read, usage will be billed at the ESCO Option with Supply Adjustment (EOSA) rate.

(d) VPO/DSO to ESCO Option with Supply Adjustment (EOSA):

A NYSEG Variable Price (VPO) customer or a Default Supply customer (DSO), whose supplier elected the ESCO Option with Supply Adjustment (EOSA) rate and enrolled the customer in Retail Access prior to January 1, of the Commodity Option Period, but whose next regularly scheduled actual, interim estimated, or Special Meter Reading date (effective date) will not occur until after January 1, of the Commodity Option Period, will be billed at the VPO or DSO (as applicable) from January 1, until the customer's first scheduled or Special Meter Reading date. After that meter read, usage will be billed at the ESCO Option with Supply Adjustment (EOSA) rate.

I. Grace Period January 1 - February 28, 2007:

1. Grace Period for Small Customers:

Small customers and SC 11 customers whose OASC rate is Service Classification Nos. 1, 6, 8, 9, or 12 who have defaulted to the Default Supply Option (DSO) by failure to make any affirmative selection of a commodity program, but who would rather select the NYSEG Fixed Price Option (FPO), will be eligible to make that selection during the two-month Grace Period of January 1 through February 28, 2007. The requested switch to the FPO will become effective with usage on and after the customer's most recent actual or interim estimated meter read date after January 1, 2007. If the customer's request for the FPO is received prior to the customer's actual or interim estimated meter read date in 2007, then the requested switch will become effective with usage on or after January 1, 2007. The FPO price that became effective January 1, 2007 will apply to the account for which the customer selects the FPO during the Grace Period and will continue to apply for the remainder of the 2007 Commodity Option Period.

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