Received: 11/09/2007

Status: CANCELLED Effective Date: 01/01/2008

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: January 1, 2008

Leaf No. 236

Revision: 6

Superseding Revision: 4

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) (4) Economic Development Power: (Cont'd)

Non-NYPA Billing Demand:

The portion of the customer's metered peak demand Corporation ("Non-NYPA Peak") to be billed at regular Service Classification No. 7 rates shall be calculated by subtracting the above determined NYPA generated portion of the customer's peak demand from the customer's actual metered peak demand.

Calculation of Billing Energy:

NYPA Billing of Energy:

The portion of the customer's monthly metered on-peak and off-peak energy to be billed at the Economic Development Power rates of this Special Provision shall be the product of the customer's metered energy times the above determined Billing ration (or Adjusted Billing Ratio).

Non-NYPA Billing of Energy

The portion of the customer's metered on-peak and off-peak energy to be billed at regular Service Classification No. 7 rates shall equal metered energy minus the portion identified above as billed at Economic Development rates.

Other Billing Adjustments:

Increase in Rates applicable in Municipality where serve is supplied shall be applied to the total billing amount.

(d) (5) Incubator Development Incentive ("IDI"):

As provided in General Information Section 13, this provision is no longer available to additional customers on or after January 1, 2007. Existing customers will be permitted to transition to the Incremental Load Incentive (ILI) as described in Special Provision (d)(10) Incremental Load Incentive and General Information Section 19.

Customers who qualify under the Incubator Development Incentive (IDI) in Section 13 of the General Information section of this Schedule prior to July 1, 2003 shall take service under the applicable NYSEG Fixed Price Option (FPO) rate, as specified in this Service Classification and Section 25, Supply Service Options, for the qualified incented load.

Such customers will have their service bills reduced by an incentive rate of \$.025 per kilowatt-hour for all qualified kilowatt hours thereunder.

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

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