

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: January 1, 2008

Leaf No. 218.1  
Revision: 3  
Superseding Revision: 1

SERVICE CLASSIFICATION NO. 7 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**4. Hourly Pricing – Mandatory and Voluntary (Cont'd.)**

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (Cont'd.)**

**2. NYSEG Hourly Day-Ahead Market Pricing Option (“Hourly Pricing”) (Cont'd.)**

**Electricity Capacity Charge: per month**

The capacity and capacity reserves are specific to the customer. When hourly data is not available the appropriate service class profile will be used to determine the customer’s capacity responsibility. A new capacity responsibility amount will be established for each customer each April. Customers new to Hourly Pricing that begin the service prior to April will be assigned their capacity responsibility based on their service class profile until the first April where the required hourly data is available.

Capacity Charge = UCAP Charge + Additional UCAP Charge

$UCAP_{req} = ((UCAP_{req} * L_c) * Reserve_{req}) * Price_{auc}$

$UCAP_{req}$  = The customer specific demand that occurred at the time of the New York system peak of the prior year.  
When the customer specific information is not available the appropriate service class profile information will be used.

$L_c$  = Capacity loss factor:

Voltage Level	Service Classification	Capacity Loss Factor
Transmission	7-4	1.0000
Subtransmission	7-3	1.0200
Primary	7-2	1.0480
Secondary	7-1	1.0738

$Reserve_{req}$  = Additional reserve requirement as required by NYISO.

$Price_{auc}$  = Monthly NYISO auction price.

$Additional\ UCAP\ Cost = (((UCAP_{req} * L_c) * AUCAP_{req}) * Price_{auc})$

$UCAP_{req}$  = Described above.

$L_c$  = See table above.

$AUCAP_{req}$  = Allocation of additional capacity requirement as required by the NYISO.

$Price_{auc}$  = Monthly NYISO auction price.

In the event that NYSEG determines that it will incur an estimated gain or loss because purchases for these customers were made in the real-time market at prices differing from those in the day-ahead market, NYSEG will credit or recover the full amount of the estimated gain or loss through the Transition Charge from Hourly Pricing customers.

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