Received: 11/09/2007 Status: CANCELLED

Effective Date: 01/01/2008

PSC No: 120 - Electricity Leaf No. 160 New York State Electric & Gas Corporation Revision: 15 Initial Effective Date: January 1, 2008 Superseding Revision: 13

SERVICE CLASSIFICATION NO. 3 (Continued)

MERCHANT FUNCTION CHARGE:

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply. Customers whose electricity is supplied by an ESCO are not charged for this service.

MINIMUM CHARGE:

The minimum charge for service under this Service Classification is the Customer Charge as listed above, or as otherwise stated in the applicable special provisions.

The minimum charge for customers who choose to take all or part of their back-up or maintenance service under this service classification rather than under Special Provision (d) of NYSEG's Service Classification No. 11 is described in the "DETERMINATION OF DEMAND" section.

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