Received: 09/28/2007 Status: CANCELLED Effective Date: 11/01/2007

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: November 1, 2007

Leaf No. 117.7

Revision: 3

Superseding Revision: 1

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options effective January 1, 2008 (cont'd.)

A. Supply Service Options: (cont'd.)

2.c. Hourly Pricing: This choice is for customers billed at a demand metered rate, which includes non-residential Service Classification Nos. 2, 3, and 7, and demand billed Service Classification No. 11 customers within PSC No. 120. Customers may take service with an ESCO or with NYSEG under this choice.

For customers taking service with an ESCO, such customers will be responsible for fixed charges for NYSEG delivery service, a fixed Transition Charge (Non-Bypassable Charge [NBC] as described in 25.I.B.), and an incremental meter charge as further described in the applicable Service Classification.

For customers taking service with NYSEG, such customers will be responsible for fixed charges for NYSEG delivery service, a fixed Transition Charge (Non-Bypassable Charge [NBC] as described in 25.I.B.), a commodity charge for electricity supply that fluctuates hourly with the market price (including losses, unaccounted for energy, capacity and capacity reserve), a Merchant Function Charge (MFC) as described in Section 25.I.D., and an incremental meter charge, as further described in the applicable Service Classification.

3. NYSEG Fixed Price Option (FPO): This Non Retail Access choice includes fixed delivery components, a fixed Transition Charge (Non-Bypassable Charge [NBC] as described in Section 25.I.B.), a fixed commodity charge for electricity supplied by NYSEG (as described in Section 25.I.C.), and a Merchant Function Charge (MFC) as described in Section 25.I.D. The commodity and transition charges will be established on November 1 to become effective the following January 1.

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