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PSC NO: 121 ELECTRICITY

NEW YORK STATE ELECTRIC & GAS CORPORATION

Initial Effective Date: 03/01/06

Leaf: 35

Revision: 4

Superseding Revision: 1

SERVICE CLASSIFICATION NO. 2 (Cont'd.)

RATE CHOICES AVAILABLE TO CUSTOMERS: (CONT'D.)

4. NYSEG Variable Price Option (VPO) (Cont'd.)

	Monthly Maintenance Charge for Customer Owned Luminaires
Fluorescent 95 Watts - 5,000 Lumen 228 Watts - 10,000 Lumen (1 Lamp) 235 Watts - 10,000 Lumen (2 Lamp) 380 Watts - 20,000 Lumen (2 Lamp) 470 Watts - 20,000 Lumen (4 Lamp)	\$1.61 1.68 1.75 2.02 2.14
Metal Halide 100 Watts - 5,800 Lumen 175 Watts - 12,000 Lumen 250 Watts - 16,000 Lumen 400 Watts - 28,000 Lumen 1000 Watts - 88,000 Lumen	\$2.62 2.62 2.63 2.69 4.36

Note: The rating of lamps in lumens is for identification purposes only and shall approximate the manufacturers standard rating.

Transition Charge (Non-Bypassable Charge ["NBC"]):

All customers served under this Service Classification, taking service under the NYSEG Variable Price Option (VPO) rate will be required to pay a Transition Charge (NBC), as further described under Rate Choice No. 1, ESCO Price Option (EPO) and PSC 120 General Information Section 12.B.

Commodity Service

The charge for Electric Power Supply provided by NYSEG will fluctuate with the market price of electricity and will include the following components: energy, Energy Losses (which include Unaccounted For Energy), Unforced Capacity (UCAP), UCAP Reserves, and UCAP Losses. This charge is determined using the same methodology as described above in this Service Classification under the detailed explanation of the Retail Access Credit (applied to the NYSEG Fixed Price with Supply Credit, Rate Choice No. 2); items "a" (Energy) and "b" (Capacity).

In the event that NYSEG determines that it will incur an estimated gain or loss because purchases for VPO 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 non-bypassable wires charge from VPO customers.

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. The Merchant Function Charge will be reset annually, to be effective February 1, using the methodology approved by the Commission in Case 05-E-1222.

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