

PSC NO: 121 ELECTRICITY
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 03/01/06

Leaf: 16
Revision: 3
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 1 (Cont'd.)

RATE CHOICES AVAILABLE TO CUSTOMERS:

Pursuant to NYSEG's Electric Rate Plan and Customer Advantage Program, General Information Section 12 of Schedule PSC 120, customers served under this Service Classification will choose from four different electric rate choices offered by the Company as described below. NYSEG will offer two Retail Access rate choices and two Non-Retail Access rate choices.

The two Retail Access choices (1 and 2 below) consist of the ESCO Price Option (EPO), and the ESCO Option with Supply Adjustment (EOSA). The two Non-Retail Access choices (3 and 4 below) include the NYSEG Fixed Price Option (FPO) and the NYSEG Variable Price Option (VPO).

NYSEG will provide Delivery Service only for the two Retail Access choices. Commodity Service will be provided by an Energy Services Company (ESCO).

1. ESCO Price Option (EPO)

This Retail Access choice includes a Monthly Operation and Maintenance Charge for luminaries and other facilities, fixed charges for NYSEG delivery service and a fluctuating Transition Charge (Non-Bypassable Charge ["NBC"]).

Kilowatt-hour use will be determined in accordance with General Information Section 2, Determination of Demand and Energy Use.

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