

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: October 1, 2005

Leaf No. 222
Revision: 1
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

DETERMINATION OF DEMAND: (Cont'd.)

Customers who choose to take all or part of their back-up or maintenance service under this service classification rather than under NYSEG's Service Classification No. 11 will pay a minimum demand charge as described in NYSEG's Service Classification No. 11. Customers will pay a minimum demand charge related to generation, ancillary, and transmission costs. The minimum demand charge is based on a rate per kW of the contract demand and is accumulated over a 12-month period. The accumulated contract demand charge component will be compared to the accumulated demand charge in this service classification. If the contract demand charge is greater than the demand charge in this service classification, then the customer will only pay the contract demand charge in that month. If it is less than the demand charge in this service classification, then the customer will pay that difference in that month.

DETERMINATION OF REACTIVE
KILOVOLT-AMPERE HOURS:

Whenever the customer's metered demand is 200 KW or more for two consecutive billing periods, the reactive kilovolt-ampere hours shall thereafter be metered. The billing reactive kilovolt-ampere hours shall be the reactive kilovolt-ampere hours in excess of one-third of the metered kilowatt hours.

TERMS OF PAYMENT:

All bills are rendered at the above "unit prices" and that amount is due on bills paid on or before the past due date indicated on the bill. A late payment charge at the rate of one and one-half percent (1 1/2%) per month will be billed on all amounts not paid by that date. (Further details in Section 4 of P.S.C. No. 119 - Electricity or superseding issues thereof.)

TERM:

One year and thereafter until terminated by 30 days' written notice. However, the Corporation may, with the permission of the Public Service Commission, require the customer to agree to take service at rates from time to time effective for a longer term dependent upon the amount of investment required or other unusual conditions incident to the service. Time-of-use metering and billing will continue even if the customer's demands should remain below 500 KW and as set forth in Special Provision (e) herein.

VOLTAGE OPTION:

Customers taking service at other than the stated Secondary Voltages shall furnish and maintain the necessary transformer substation.

At the discretion of the Corporation, metering for Transmission Service may be on the secondary side of the customer's transformers and calculated transformer losses will be added to measured demand and energy prior to billing. When metering is on the secondary side of the customer's transformers, no load transformer losses will be based on manufacturer's published data for customer's transformers, or equivalent, assuming 730 hours per month. Load losses based on manufacturer's published data for customer's transformer, or equivalent, will be determined by multiplying metered demand and metered energy, respectively, by individually calculated factors developed in accordance with generally accepted engineering principles assuming 730 hours per month and taking cognizance of full load capacity of the customer's transformer, the customer's average peak load and the load factor and average power factor of the load. Such factors will be reviewed annually or as load changes require.

Issued in compliance with order in Case 03-E-0188 dated 09/24/04.

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