PSC No: 120 - Electricity New York State Electric and Gas Corporation Initial Effective Date: January 1, 2005 Leaf No. 210 Revision: 1 Superseding Revision: 0

SERVICE CLASSIFICATION NO. 6 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(g) Economic Incentives:

(1) Small Business Growth Incentive ("SBGI"):

Customers who qualify under the Small Business Growth Incentive (SBGI) in Section 19 of the General Information section of this Schedule shall take service under the applicable NYSEG Fixed Price (BRO) rate, as specified in this Service Classification and Section 12, Customer Advantage Program, of this Schedule, for the qualified incented load.

Customers who were qualified for such SBGI prior to July 1, 2003 will have their service bills reduced by an incentive rate for all qualified kilowatt-hours.

The incentive rate will be revised annually, as follows:

Effective Date	Effective Date
01/01/2005	01/01/2006
\$0.0227	\$0.0191

Customers who are qualified for such SBGI on or after July 1, 2003 will have their service bills reduced by an incentive rate of \$.0154 per kilowatt-hour for all qualified kilowatt-hours used thereunder.

(2) Economic Development Zone Incentive ("EDZI")

Customers served under this service classification may qualify for the EDZI Special Provision. See General Information Section 9 of this Schedule for a complete description of the EDZI.

(h) Farm Waste Electric Generating System Option:

This option is for a customer qualifying for the Farm Waste Electric Generating System Option pursuant to General Information Section 22 of this Schedule and taking service under SC 6. As provided for in General Information Section 22 of this Schedule, the customer may choose a single meter, or if dual metering is chosen, the Company will net 100% of the measured electricity produced by the customer's Facility as measured on the non-demand, non-time differentiated Credit Meter with that consumed by the customer as register on the Billing Meter.

Issued in compliance with Orders in Case 01-E-0359 dated October 9, 2002, and May 9, 2003.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York