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PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: October 1, 2004

Leaf No. 289

Revision: 3

Superseding Revision: 2

SERVICE CLASSIFICATION NO. 11 (Continued)

RATES (Per Month) (Cont'd.)

Delivery Rates for customers with less than 50 kW Contract Demand, without interval metering, will be billed at the OASC plus a monthly Transition Charge. The monthly Transition Charge will be revised each April 1 and October 1, as well as on January 1, 2005, the beginning of the second commodity period for the Electric Rate Plan.

Monthly Standby	SC 2	SC 3-P	SC 3-S	SC 7-1
Transition				
Charge, per meter:	\$106.52	\$776.87	\$724.30	\$528.05

Billing of Reactive Kilovolt Hours:

Unless it is determined by the Company that system operations require that the customer take reactive power from the Company's system, all metered reactive energy used by the customer will be billed at the rate specified above. This includes reactive power used during normal operation of the customer's OSG or Wholesale Generator as well as that used when NYSEG provides standby service.

Rate Periods:

For a customer whose OASC is SC 2, 3, or 7, On-Peak hours are defined as the hours between 7:00 A.M. and 10:00 P.M. (Local Time), Monday through Friday with the exception of the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Those hours not designated as On-Peak are defined as Off-Peak. Other rate periods are as defined in the customer's OASC, i.e., SC 8, 9 or 12.

SURCHARGE TO COLLECT SYSTEM BENEFITS CHARGE ("SBC")

A surcharge of \$.0015 per kilowatt-hour, per month, is charged on a customer's bill in this Service Classification to collect the SBC (as explained in this Schedule, General Information Section 4).

MINIMUM CHARGE

The minimum charge per month for service under this Service Classification is the Contract Demand Charge if applicable, plus the Customer Charge as listed above. For demand-billed customers with less than 50 kW Contract Demand, the minimum charge is the Customer Charge, plus the current Standby Transition Charge for the customer's OASC.

INCREASE IN RATES and CHARGES

The rates and charges under this Service Classification, including the minimum charge, will be increased by a surcharge pursuant to General Information Section 6 of this Schedule to reflect the taxes applicable within the municipality where the customer takes service.

TERMS OF PAYMENT

Bills rendered under this Service Classification are payable on receipt. A late payment charge of one and one half percent (1 1/2%) per month will be billed on all amounts not paid by the "past due" date. For additional information, see NYSEG's tariff, PSC No. 119 – Electricity, Section 4.

Issued in compliance with Orders in Case 01-E-0359 dated February 27 and November 22, 2002.

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