PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: January 1, 2005 Leaf No. 215 Revision: 3 Superseding Revision: 2

SERVICE CLASSIFICATION NO. 7 (Continued)

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

NYSEG will provide **Delivery and Commodity Service** for the two Non-Retail Access choices.

3. NYSEG Fixed Price (BRO)

This Non-Retail Access choice consists of a bundled price which includes components for the following: fixed NYSEG delivery service, a fixed Transition Charge (Non-Bypassable Wires Charge [NBWC]), and a fixed commodity charge for electricity supplied by NYSEG.

RATE: (Per Meter, Per Month)

Bundled Service

VOLTAGE	Effective Date*
SECONDARY S.C. 7-1 DISTRIBUTION	01/01/05
Customer Charge	\$16.00
Demand Charge (All kilowatts, per kW) On-Peak Service Off-Peak Service	\$9.15 N/A
Energy Charge (All kilowatt-hours, per kWh) On-Peak Service Off-Peak Service	\$0.09642 \$0.08259
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00095

* The rate for NYSEG's Fixed Price (BRO) may be revised every six months on April 1 and October 1 of each year to reflect increases in the cost of providing fixed commodity service. The revised rate will be calculated using the methodology approved by the Commission in Case 01-E-0359 for calculating the commodity portion of BRO prices. Such revised rate will be utilized only if greater than the initial BRO rate effective January 1, 2005. However, the revised rate will be applicable only to a customer who chooses or is placed on the NYSEG Fixed Price (BRO) rate or the NYSEG Fixed Price with Supply Credit (BRO w/RAC) rate, on or after the effective date of the revision. The revised rate remains in effect for such customers through December 31, 2006, regardless of whether the customer chooses the BRO rate or BRO w/ RAC rate.

NYSEG will file such revised BRO rates with the Public Service Commission not less than three days prior to the effective date of the revised rate.

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