

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: May 12, 2004

Leaf No. 144.1  
Revision: 0  
Superseding Revision:

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(k) Plattsburgh Air Force Base (Cont'd.)

Phase-In of Rates: (Cont'd.)

2. Customers eligible for this Special Provision may select a retail access option, [Competitive Supplier Price (ERO) or the NYSEG Fixed Price with Supply Credit (BRO w/RAC)], as specified in General Information Section 12, Customer Advantage Program, and the otherwise applicable Service Classification of this Schedule, and in accordance with this Special Provision. A customer may alternatively select the Variable Price Option (VRO) as specified within each applicable Service Classification. If a retail access option or VRO is selected, the customer selecting such option will not receive the Phase-In as specified in this Special Provision. A customer who selects a retail access option and later returns from retail access to NYSEG commodity service (BRO or VRO), will not be eligible for the Phase-In.

A customer electing ERO or BRO w/RAC must adhere to the process set forth in Section 12.G.3, Process for Changing to a Retail Access Rate, of this Schedule. The Energy Services Company ("ESCO") shall contact NYSEG directly to convey the customer's retail access rate option selection and retail access enrollment.

3. An eligible customer receiving an Economic Development Zone Incentive (EDZI) when transferred to NYSEG will receive the applicable incentive as determined by the customer's zone certificate eligibility date (i.e., If such date is prior to July 1, 2003, the discount of \$0.04 per kWh would apply. If such date is after July 1, 2003, the BRO1 EDZI rates and discount of \$0.0186 per kWh would apply), as specified in General Information Section 9, Economic Development Zone Incentive of this Schedule and General Information Section 12, Customer Advantage Program, of this Schedule.
4. Unless the customer's economic development zone certification(s) becomes invalid, the qualified load of a customer receiving an EDZI will receive the applicable incentive as specified in General Information Section 9, Economic Development Zone Incentive and the otherwise applicable Service Classification of this Schedule for the remainder of the ten-year term. The economic incentive rate per kWh in effect at the time of the customer's initial economic development zone qualification will be applied to such customer's bill for the duration of the customer's ten-year term.

Issued in compliance with order in Case 03-E-1552 dated November 28, 2003.

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