

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: February 1, 2004

Leaf No. 294.11
Revision: 0
Superseding Revision:

SERVICE CLASSIFICATION NO. 11 (Continued)

SPECIAL PROVISIONS (CONT'D.)

(d) Previous SC 11 Tariff (Cont'd.)

MINIMUM CHARGE

The Customer Charge plus the Contract Demand Charge related to Generation, Transmission, Ancillary and Distribution Facilities, unless the as-used demand charges exceed the rolling 12-month minimum contract demand charge as described later in this Service Classification.

DETERMINATION OF CONTRACT DEMAND:

The Contract Demand for calculating the monthly bill under this Service Classification shall be the demand set forth in the customer's application for service. Thereafter, it will be increased to the highest metered demand within the term of the contract. The metered demand will be the highest average kilowatts used in any fifteen-minute interval during the month. Customers can change their contract demand nominations annually or whenever a new rate design is implemented, except that the nomination: 1) shall not be demonstrably unreasonable in light of likely usage by the customer should the customer take back-up and/or maintenance service from NYSEG; and 2) shall not be lower than the maximum demand achieved by the customer in the twelve months prior to the date of the contract nomination. Customers will be subject to a monthly contract demand surcharge if the customer's metered demand exceeds the contract demand. The surcharge will be equal to nine (9) times the product of a) the applicable contract demand charge; and b) the difference between the actual demand for that month and the nominated demand.

DETERMINATION OF MINIMUM FOR CONTRACT DEMAND CHARGE FOR GENERATION, ANCILLARY, AND TRANSMISSION (G,A,T):

Customers will pay a minimum demand charge related to generation, ancillary, and transmission costs. It is based on a \$ per kW of the contract demand and is accumulated over a rolling 12-month period. This component will be compared to the as used demand charge (G,A,T) plus the demand (G,A,T) cost that is rolled into the energy charge, also accumulated over a rolling 12-month period. If the contract demand charge is greater than the as-used demand plus the demand (G,A,T) cost that is rolled into the energy charge then the customer will only pay the contract demand charge in that month. If it is less than the as-used demand plus the demand (G,A,T) cost that is rolled into the energy charge, then the customer will pay that difference in that month.

DETERMINATION OF MONTHLY AS-USED BILLING DEMAND:

For the use of the Company's generation, ancillary, and transmission facilities, the customer's kW billing demand for calculating the As-Used demand-related charges under this Service Classification shall be the current month's highest metered **On-Peak** demand.

For the use of the Company's distribution facilities, the customer's kW billing demand for calculating the As-Used demand-related charges under this Service Classification shall be the current month's highest metered peak demand in the **On-Peak or Off-Peak** period.

Issued in compliance with orders in Case No. 02-E-0779 dated 07/30/03 and Case No. 03-E-1552 dated 11/28/03

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