PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: October 30, 2005 Leaf No. 198.1 Revision: 1 Superseding Revision:

SERVICE CLASSIFICATION NO. 5 (Continued)

SPECIAL PROVISIONS: (Cont'd)

* The rate for NYSEG's Fixed Price Option (FPO) 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 FPO prices. Such revised rate will be utilized only if greater than the initial FPO 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 Option (FPO) rate or the ESCO Option with Supply Adjustment (EOSA) 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 FPO rate or EOSA rate.

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

(iii) NYSEG Variable Price Option (VPO)

| | Effective Date |
|--|----------------|
| Delivery Charges | 01/01/2005 |
| Energy Charge (All kilowatt-hours, per kilowatt-hour) | \$0.0350 |

| | Monthly Unit Rate |
|---|-------------------|
| Mercury Vapor (M.V.) Safeguard Luminaires | |
| (special provision for installations prior to 2/1/88) | |
| 7,000 Lumen | \$9,17 |
| 17,200 Lumen | \$11.85 |
| 48,000 Lumen | \$12.73 |
| Additional Facilities: | |
| Additional Wood Pole | \$4.14 |
| Wire Service (per Circuit foot) | \$0.012 |

- (b) Lamp replacement and repairs will be made only during regular working hours, Monday through Friday.
- (c) Any customer-owned pole on which a lamp is to be mounted or to which wire is to be attached must be approved by the Corporation. If a customer-owned pole on which such equipment is mounted deteriorates, is damaged, or has its use impaired so that it no longer is approved by the Corporation, service may be terminated.

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