PSC No: 120 - Electricity New York State Electric and Gas Corporation Initial Effective Date: October 30, 2005 Leaf No. 232 Revision: 1 Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: (Cont'd)

(3) Economic Development Zone Incentive: (Cont'd)

NYSEG Variable Price Option (VPO):

Voltage	Secondary	Primary		
	S.C. 7-1 Distribution	S.C. 7-2 Distribution	S.C. 7-3 Sub-transmission	S.C. 7-4 Transmission
Customer Charge	\$10.91	\$42.09	\$300.00	\$850.00
Demand Charge All kilowatts, per kW On-Peak Service Off-Peak Service	\$6.24 n/a	\$4.30 n/a	\$4.08 n/a	\$1.73 n/a
Energy Charge All kilowatt-hours, per kWh On-Peak Service Off-Peak Service	\$0.00329 \$0.00329	\$0.00255 \$0.00255	\$0.00425 \$0.00425	\$0.00400 \$0.00400
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00095	\$0.00095	\$0.00095	\$0.00095

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