

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: October 30, 2005

Leaf No. 178
Revision: 1
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(i) Real Time Pricing ("RTP") Provision

REAL TIME PRICING:

This RTP provision will provide customers with an opportunity to develop load management programs to better respond to high hourly market prices and take advantage of low hourly market prices. The program will provide experience with interval metering and billing solutions. Customers will be encouraged to modify operations to reduce usage during high priced periods or to shift usage to take advantage of the lower energy costs during certain hours.

ELIGIBILITY:

The Company will solicit commercial, industrial and public authority customers who have the ability to shift loads and benefit from hourly pricing. To participate, customers may not have other incentives, receive NYPA power or participate in retail access. This program is available to customers with load capped at 25 MW in the aggregate. Eligible customers may enroll on a first-come, first served basis. To be eligible, customers must choose the NYSEG Variable Price Option (VPO) rate option, a complete description of which appears previously in this Service Classification, and in Section 12 of this Schedule, Customer Advantage Program.

ADDITIONAL REQUIREMENTS AND METERING:

Customers shall install all necessary equipment, including, but not limited to, interval metering and required telephone lines. Such metering will be installed, controlled, operated and maintained by the Company at the customer's expense. The Company will provide meters at cost (including materials and labor) to customers who enroll in the RTP Program. The Company may, at the customer's expense, require installation of additional communication equipment, software or a monthly subscription service for the administration of this special provision.

Eligible customers receiving metering from competitive metering providers may participate in this Real Time Pricing Program, using metering equipment and communications capabilities that the Company has determined can provide the necessary hourly interval usage data.

CALCULATION OF THE RTP BILL:

Customers are responsible for all charges associated with the NYSEG Variable Price Option (VPO) as described in this Service Classification, and General Information Section 12 of this Schedule - Customer Advantage Program. Additionally, the VPO Commodity Service will be replaced with the RTP Program Commodity Service, described as follows.

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