PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: October 30, 2005 Leaf No. 38 Revision: 3 Superseding Revision: 1

GENERAL INFORMATION

12. Customer Advantage Program: (Cont'd.)

G. Changing Electric Rate Options: (Cont'd.)

- 4. Process for Changing to a Non-Retail Access Rate Option: (Cont'd.)
 - (c) Large Customer ESCO Price Option (EPO) to NYSEG Variable Price Option (VPO) A Large customer that is changing from the ESCO Price Option (EPO) to the NYSEG Variable Price Option (VPO) rate may do so by first contacting its ESCO to discontinue Retail Access. (Alternatively, a Large customer may directly contact NYSEG with its request.) Upon NYSEG's receipt of the notice that the customer is canceling Retail Access, NYSEG will notify the customer of such cancellation by sending the customer a letter. When the first scheduled meter reading date (effective date of the switch) occurs, NYSEG will bill the Large customer at the NYSEG Variable Price Option (VPO) rate.

5. ESCO Discontinuance of Sales to Individual Customer:

If an ESCO cancels a customer's Retail Access service, such ESCO must follow the procedures set forth in this Schedule at Section 16.E.10(b). Upon receipt of the notice of discontinuance from the ESCO, NYSEG will verify this request with the customer by sending a letter to the customer. See Section 12.G.4 above for procedures subsequent to the customer's receipt of the letter.

6. SC 13 or SC 14 Contracts Expiring

A customer taking service under SC 13 or 14 whose contract expires on a date past the Enrollment Period deadline (at 7 p.m. on the last business day of December of the Enrollment Period) has 30 days after the contract expiration to select an electric rate option. Such customer would be eligible for the two Non-Retail Access options (NYSEG Fixed Price Option [FPO] and NYSEG Variable Price Option [VPO]) as well as the two Retail Access options (ESCO Price Option [EPO] and ESCO Option with Supply Adjustment [EOSA]).

A customer electing a Non-Retail Access rate option should contact NYSEG to convey its selection.

A customer electing a Retail Access rate option must adhere to the process set forth above in Section 12.G.3; the ESCO will contact NYSEG directly to convey the customer's rate option and Retail Access enrollment.

The FPO rate may be adjusted every six months. A customer who chooses FPO prior to the SC 13 or 14 contract expiration date will receive the FPO rate in effect on the first day NYSEG begins to provide supply service after the contract has expired. If the customer contacts NYSEG with their Non-Retail Access rate option selection after the end date of the SC 13 or 14 contract, the Non-Retail Access rate option will be applicable to usage on and after the date NYSEG is contacted with that option selection, subject to the 30 day notice limitation.

If such customer does not communicate its rate option selection to the Company until after the first scheduled or Special Meter Reading date following the contract expiration or the expiration of the 30-day period, NYSEG will bill Large customers on the NYSEG Variable Price Option (VPO) rate and Small customers on the NYSEG Fixed Price Option (FPO) rate until the customer has contacted NYSEG with their rate option selection.

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