

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: August 29, 2005

Leaf No. 309.1
Revision: 0
Superseding Revision:

SERVICE CLASSIFICATION NO. 13 (Continued)

INDIVIDUAL ELECTRIC SERVICE AGREEMENT: (Cont'd)

RATES:

The specific charges for service under this Service Classification will be stated in the Individual Electric Service Agreement executed for each Customer served hereunder.

DELIVERY RATE:

The rate contained in an Individual Electric Service Agreement will, at a minimum, recover the Corporation's marginal costs plus a contribution toward system costs ("Marginal Cost Floor").

The Marginal Cost Floor is defined as:

$MC_{trans} + MC_{dist} + MC_{ancillary} + NTAC + \text{contribution toward system costs}$

Where:

MC_{trans} is the Corporation's FERC-approved Transmission Service Charge

MC_{dist} is the Corporation's marginal distribution costs

$MC_{ancillary}$ is the Corporation's system load weighted average of the NYISO ancillary services charges for Schedules 1 (fixed and variable), 2, 3, 5, and 6,

$NTAC$ is the NYPA Transmission Access Charge

Unless an updated marginal cost study is attached to the Individual Electric Service Agreement, the marginal costs that were approved by the PSC for use in the development of the Corporation's Economic Development Zone Incentive ("EDZI") rates will be used for determining the Marginal Cost Floor.

Issued in compliance with order in Case 03-E-1761 dated 04/14/05.

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