

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

Leaf No. 318
Revision: 4
Superseding Revision: 1

SERVICE CLASSIFICATION NO. 14 (Continued)

SURCHARGE TO COLLECT SYSTEM BENEFITS CHARGE ("SBC"):

A System Benefits Charge (as explained in this Schedule, General Information Section 4) of \$.0014 per kWh will be added to each Energy Charge on the Customer's bills, as set forth in, and as permitted by, the Individual Electric Service Agreement, under this Service Classification. This charge, as may be amended or superseded, will be effective with usage beginning January 1, 2005.

COMPETITIVE METERING OPTION:

For Individual Electric Service Agreements negotiated after March 1, 2001, the Corporation will not require as a condition of contract, that a Customer obtain its electric metering services from the Corporation. A Customer whose Individual Electric Service Agreement allows and who otherwise qualifies for NYSEG's Competitive Metering Option pursuant to General Information Section 14 of this Schedule, will receive a Competitive Metering Credit consistent with their otherwise applicable Service Classification.

INCREASE IN RATES AND CHARGES:

The rates and charges under this Service Classification will be increased by a surcharge pursuant to Section 6 of P.S.C. No. 120 to reflect the tax rates applicable within the municipality where the Customer takes service.

TERMS OF PAYMENT:

All bills are rendered at the above rates and that amount is due on bills paid on or before the past due date indicated on the bill. A late payment charge at the rate per month specified in the Individual Electric Service Agreement, or as applicable in the otherwise applicable Service Classification, will be billed on all amounts not paid by that date.

TERM:

The term of delivery service shall be limited to no more than five years, unless a longer term is approved by the PSC. Prospective adjustments to delivery service may be negotiated by the Corporation and the Customer, as defined within the Individual Electric Service Agreement.

The term of standard Corporation-offered commodity service supplied by the Corporation shall be reflected in the Individual Electric Service Agreement and shall remain in effect for the time periods established in the otherwise applicable Service Classification.

Other commodity options may provide for prospective price changes and term limitations, as defined within the Individual Electric Service Agreement.

If a Customer terminates or breaches an Individual Electric Service Agreement with the Corporation prior to the expiration of the term in which the price for a non-tariffed commodity option was to remain in effect, the Customer shall be responsible for compensating the Corporation for any obligations the Corporation has, or any damages the Corporation incurs, to a commodity supplier or provider of a financial hedge relating to that price. The Corporation may, at its own discretion, require adequate assurances, deposits, and/or other financial securities to address potential future liabilities by the Customer.

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

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