PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: January 1, 2006 Leaf No. 37 Revision: 2 Superseding Revision: 1

GENERAL INFORMATION

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

G. Changing Electric Rate Options January 1, 2003 - December 29, 2006: (Cont'd.)

- 4. Process for Changing to a Non-Retail Access Rate, January 1, 2003 - December 29, 2006:
 - (a) Small Customer Competitive Supplier Price (ERO) to NYSEG Variable Price (VRO) or NYSEG Fixed Price (BRO)

A Small customer that is changing from the Competitive Supplier Price (ERO) to either the NYSEG Variable Price (VRO) or the NYSEG Fixed Price (BRO) rate may do so by first contacting its ESCO to discontinue Retail Access service. (Alternatively, a Small customer may contact NYSEG directly with its request.)

Upon NYSEG's receipt of notice that the customer is canceling Retail Access, NYSEG will notify the customer of such cancellation by sending the customer a letter. If the customer would like to be billed at the NYSEG Variable Price (VRO) rate, no action by the customer is necessary.

NYSEG Fixed Price (BRO) Selection Method:

If a Small customer would like to be billed at the NYSEG Fixed Price (BRO) rate option, upon receipt of NYSEG's letter confirming the Retail Access cancellation, the customer should contact NYSEG within 30 days to select the NYSEG Fixed Price (BRO) rate option. If the customer's first scheduled meter reading date, interim estimated meter reading date or Special Meter Reading date occurs before the customer has communicated its NYSEG Fixed Price (BRO) rate option selection to the Company, or the 30-day period expires, NYSEG will bill this Small customer at the NYSEG Variable Price (VRO) rate. The NYSEG Fixed Price (BRO) rate will apply to the next billing period. The customer will receive the latest NYSEG Fixed Price (BRO) rate in effect on the day that NYSEG begins providing supply to the customer.

(b) Small Customer - NYSEG Fixed Price with Supply Credit (BRO w/RAC) to NYSEG Fixed Price (BRO)

A Small customer that is changing from the NYSEG Fixed Price with Supply Credit (BRO w/RAC) to the NYSEG Fixed Price (BRO) rate may do so by first contacting its ESCO to discontinue Retail Access. (Alternatively, a Small customer may contact NYSEG directly 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. On and after the effective date of the switch, NYSEG will bill the Small customer at the NYSEG Fixed Price (BRO) rate.

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