PSC No: 120 - Electricity New York State Electric & Gas Corporation Initial Effective Date: January 1, 2006 Leaf No. 128 Revision: 1 Superseding Revision: 0

SERVICE CLASSIFICATION NO. 2

APPLICABLE TO THE USE OF SERVICE FOR:

General Services - with Demand Billing. (For estimated metered demands of more than 5 kilowatts but less than 500 kilowatts.)

CHARACTER OF SERVICE:

Continuous - Alternating Current, 60 Cycle; 120, 120/208, 120/240, 208, 240, 240/416, 277/480 or 480 Volts - Single or Three Phase. (Also Two Phase in Walden District.) (Characteristics depend upon available circuits and equipment.)

RATE CHOICES AVAILABLE TO CUSTOMERS:

Pursuant to NYSEG's Electric Rate Plan and Customer Advantage Program, General Information Section 12 of this Schedule, customers served under this Service Classification will choose from four different electric rate choices offered by the Company as described below. NYSEG will offer two Retail Access rate choices and two Non-Retail Access rate choices.

The two Retail Access choices (1 and 2 below) consist of the Competitive Supplier Price (also known as the ESCO Rate Option ["ERO"] in the Electric Rate Plan), and the NYSEG Fixed Price with Supply Credit (also known as the Bundled Rate Option with Retail Access ["BRO w/RAC"] in the Electric Rate Plan). The two Non-Retail Access choices (3 and 4 below) include the NYSEG Fixed Price (also known as the Bundled Rate Option ["BRO"], and the NYSEG Variable Price (also known as the Variable Rate Option ["VRO"]).

NYSEG will provide <u>Delivery Service</u> only for the two Retail Access choices. Commodity Service will be provided by an Energy Services Company (ESCO).

1. Competitive Supplier Price (ERO)

This Retail Access choice includes fixed components for NYSEG delivery service, a Delivery Adjustment (credit) of \$0.004 per kWh, and a fluctuating Transition Charge (Non-Bypassable Wires Charge ["NBWC"]) described in this section. Pursuant to the Electric Rate Plan, the \$0.004 per kWh credit will apply unless and until replaced by the Commission in the Unbundling Track, Case No. 00-M-0504.

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