Received: 07/20/2005 Status: CANCELLED Effective Date: 02/01/2006

PSC NO: 121 ELECTRICITY Leaf: 35 NEW YORK STATE ELECTRIC & GAS CORPORATION Revision: 2

Initial Effective Date: 01/01/06 Superseding Revision: 1

SERVICE CLASSIFICATION NO. 2 (Cont'd.)

RATE CHOICES AVAILABLE TO CUSTOMERS: (CONT'D.)

4. NYSEG Variable Price (VRO) (Cont'd.)

	Monthly Maintenance Charge for Customer Owned Luminaires
Fluorescent 95 Watts - 5,000 Lumen 228 Watts - 10,000 Lumen (1 Lamp) 235 Watts - 10,000 Lumen (2 Lamp) 380 Watts - 20,000 Lumen (2 Lamp) 470 Watts - 20,000 Lumen (4 Lamp)	\$1.39 1.45 1.51 1.74 1.85
Metal Halide 100 Watts - 5,800 Lumen 175 Watts - 12,000 Lumen 250 Watts - 16,000 Lumen 400 Watts - 28,000 Lumen 1000 Watts - 88,000 Lumen	\$2.26 2.26 2.27 2.32 3.76

Note: The rating of lamps in lumens is for identification purposes only and shall approximate the manufacturers standard rating.

<u>Transition Charge (Non-Bypassable Wires Charge ["NBWC"]):</u>

All customers served under this Service Classification, taking service under the NYSEG Variable Price (VRO) rate will be required to pay a Transition Charge (NBWC), as further described under Rate Choice No. 1, Competitive Supplier Price (ERO).

Commodity Service

The charge for Electric Power Supply provided by NYSEG will fluctuate with the market price of electricity and will include the following components: energy, Energy Losses (which include Unaccounted For Energy), Unforced Capacity (UCAP), UCAP Reserves, and UCAP Losses. This charge is determined using the same methodology as described above in this Service Classification under the detailed explanation of the Retail Access Credit (applied to the NYSEG Fixed Price with Supply Credit, Rate Choice No. 2); items "a" (Energy) and "b" (Capacity).

In the event that NYSEG determines that it will incur an estimated gain or loss because purchases for VRO customers were made in the real-time market at prices differing from those in the day-ahead market, NYSEG will credit or recover the full amount of the estimated gain or loss through the non-bypassable wires charge from VRO customers.

Issued by: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY