

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York

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## GENERAL INFORMATION

### 2. Submetering:

#### Non-Residential

A customer may purchase electricity for resale under any service classification of this rate schedule that would be applicable if such electricity were not for resale and said customer may resell the electricity purchased to tenants on an individually metered basis subject to approval by the Public Service Commission in response to individual proposals concerning electric service furnished to:

- A. Master metered, new or renovated non-residential buildings; and to commercial tenants who receive directly metered service; and
- B. Commercial occupants of cooperatives, condominiums, campgrounds, recreational trailer parks or recreational marinas whose occupants were purchasing individually metered electric service on May 21, 1980.

#### Submetered Multi-unit Residential Premises

Submetering, remetering, or resale of electric service shall be permitted as provided in subparagraphs (a) through (d) of this Rule.

- (a) Electric service shall only be provided to a multi-unit residential premises in which individual dwelling units in the premises receive submetered electric service if the submetering
  - (i) is and continues to be authorized by PSC order where a PSC order was necessary;
  - (ii) is and continues to be consistent with any conditions imposed by such order; and
  - (iii) is and continues to be consistent with 16 NYCRR Part 96.
- (b) Existing Direct Metered Multi-unit Residential Premises
  - (1) Electric service provided to individual residential units in existing multi-unit residential premises through direct metering may not be discontinued or replaced by master metering unless a Petition to Submeter is filed that:
    - (i) complies with the applicable requirements of 16 NYCRR 96.5 and 96.6;
    - (ii) seeks to convert such premises from direct metering to master-metering with submetering; and
    - (iii) demonstrates that the building or complex for which master metering with submetering is sought shall participate in building level demand response programsor  
shall employ on-site co-generation plant or an alternative, advanced energy efficiency design, the conversion to submetering may be authorized by the PSC.
  - (2) All costs associated with a conversion to master metering shall be borne by the customer converting to master metering. Such costs shall be determined in accordance with P.S.C. No. 119, Rule 6, Charges for Special Services.

## GENERAL INFORMATION

### 2. Submetering: (Cont'd)

#### Submetered Multi-unit Residential Premises (Cont'd)

##### (c) Assisted Living and Senior Living Facilities

1. Assisted Living and Senior Living Facilities may be exempted from residential individual metering requirements if they meet all of the following criteria:

- (i) The applicant shall submit sufficient documentation to enable the Company to determine the applicant's eligibility as an Assisted Living or Senior Living Facility.
  - (aa) An Assisted Living Facility is a multi-unit residential premises, identified as assisted living facilities and certified by the NYS Department of Health.
  - (bb) A Senior Living Facility is a multi-unit residential premises in which energy-efficient housing or other services are provided, and shall be provided in the future, to resident senior citizens.
- (ii) The Company shall inform the applicant if such documentation is insufficient to determine eligibility. Within 30 days of receipt of adequate documentation, the Company shall notify the applicant of its eligibility or ineligibility for master metering.

2. All costs associated with a conversion to master metering shall be borne by the customer converting to master metering. Such costs shall be determined in accordance with P.S.C. No. 119, Rule 6, Charges for Special Services.

3. Assisted Living and Senior Living Facilities that no longer meet the above criteria or desire to convert to a different use shall no longer be exempt from individual metering requirements and shall either convert to individual metering or petition the PSC for approval of an alternative means of receiving electric service.

##### (d) Campgrounds, Recreational Trailer Parks, Marinas, and Parking Facilities

Electric service may be provided to the facility owner or operator of campgrounds, recreational trailer parks, marinas and parking facilities for redistribution to individual campsites, trailer, boat hookups, or plug-in electric vehicle charging stations with or without submetering. Master metering and submetering, at the facility owner's or operator's option, may be installed and used for billing without PSC approval and are not subject to submetering service conditions.

##### (3) Submetering in Master-metered Residential Cooperatives and Condominiums

Master-metering with submetering in residential cooperatives or condominiums shall be authorized:

- (a) after filing a Notice of Intent to Submeter which includes the information, descriptions, plans, forms, certifications, and other materials and representations specified for such Notices in 16 NYCRR 96.5;
- (b) after individual notices to owners or shareholders are provided pursuant to 16 NYCRR 96.3(c); and
- (c) upon the PSC's determination and order approving such submetering as in the public interest and consistent with the provision of safe and adequate electric service to residents.

## GENERAL INFORMATION

### 7. Revenue Decoupling Mechanism Adjustment (“RDM”)

#### 1. Applicable to:

- a. All customers taking service under residential Service Classification Nos. 1, 8, and 12, except as noted in (c.) below, and general service under Service Classification Nos. 2, 3-Primary, 3-Subtransmission, 6, 7-1, 7-2, 7-3, and 9, whether receiving electricity supply from the Company or an ESCO, such customers shall be subject to a RDM Adjustment as described below.
  - i. For reconciliation purposes, the Company shall combine all residential classes and shall maintain individual general service classes; as noted above in 1.a.
- b. All customers taking service under Service Classification No. 11 and choose to be subject to the otherwise applicable service class rates (pursuant to Section 3 under “Optional Standby Service Rate Phase-In is Applicable To;”. All other customers taking service under Service Classification No. 11 shall be excluded from the RDM Adjustment.
- c. The following customers shall be excluded from the RDM Adjustment: customers taking Seasonal Service under the Special Provisions in Service Classification Nos. 1 and 8., Service Classification No. 7-4 Transmission, Service Classification Nos. 5, 10, 13, and 14.

#### 2. Definitions:

- a. “Delivery Service Revenue Target” for residential service classifications, it shall be based on combined residential service classification base delivery revenues for each month; and for general service classifications, it shall be based on individual service classification base delivery revenues for each month. Delivery Service Revenue Targets for each of the Rate Years are set forth in the Joint Proposal dated February 19, 2016 in Case Nos. 15-E-0283, 15-G-0284, 15-E-0285, and 15-G-0286, and approved by the Commission on June 15, 2016. The Delivery Service Revenue Target for Rate Year 3 shall repeat annually until changed by the Commission.
- b. “Actual Billed Delivery Service Revenue”: For the purpose of RDM, shall be measured as the sum of the billed base delivery revenues from all customers for each service classification. Base delivery revenues include revenues related to the Customer Charge, Demand Charge (per kW), Reactive Charge (per rkvah), and the Energy Charge for delivery (per kWh). For purposes of this calculation, revenues related to the System Benefits Charge (“SBC”), Rate Adjustment Mechanism (“RAM”), Merchant Function Charge (“MFC”), Transition Charge (Non-Bypassable Charge [“NBC”]), Reliability Support Services Surcharge (“RSSS”), Temporary State Assessment Surcharge (“TSAS”), and New York Power Authority (“NYPA”) supplied usage are excluded. All sales to customers with economic development discounts or low income bill credits shall be calculated at standard service classification rates.
- c. “Rate Year”: for the purposes of RDM, Rate Year 1 shall be effective through April 30, 2017. Each Rate Year thereafter shall begin on May 1 in all subsequent 12-month periods.

## GENERAL INFORMATION

### 7. Revenue Decoupling Mechanism Adjustment (“RDM”) (Cont’d)

#### 3. Calculation:

- a. The RDM shall reconcile per service class actual billed delivery service revenue to allowed delivery service revenue.
- b. For the residential and general service classifications or sub classification subject to the RDM as set forth in Rule 7.1.a (RDM), each month, the Company shall compare the Actual Billed Delivery Service Revenue and the Delivery Service Revenue Target. If the monthly Actual Billed Delivery Service Revenue exceeds the Delivery Service Revenue Target, the delivery service revenue excess shall be accrued for refund to customers at the end of the Rate Year. Likewise, if the monthly Actual Billed Delivery Service Revenue is less than the Delivery Service Revenue Target, the delivery revenue shortfall shall be accrued for recovery from customers at the end of the Rate Year.
- c. At the end of the Rate Year, total delivery service revenues shall be compared to cumulative monthly target revenues for the residential service classifications and each general service classification or sub classification. Any variance from cumulative target revenues shall be either refunded or surcharged to customers over the 12 monthly periods of the immediately succeeding Rate Year. Any surcharge or credit amount shall reflect interest at the then effective other customer deposit rate and shall be either recovered or returned to residential service classifications (as described in 7.1.a. (RDM). The surcharge or credit for each applicable service classification or sub classification shall be determined by dividing the amount to be refunded or surcharged to customers in that service classification or sub classification by estimated kWh or kW deliveries to customers in that service classification or sub classification over a 12-month period. A per kW surcharge or credit shall be applied for those classes that do not have a kWh delivery charge. A per kWh surcharge or credit shall apply for all other service classifications.

#### GENERAL INFORMATION

### 7. Revenue Decoupling Mechanism Adjustment (“RDM”) (cont.)

#### 3. Calculation (cont.)

- d. Following each RDM Adjustment period, any difference between the amounts required to be charged or credited to customers in each service classification or sub classification and amounts actually charged or credited shall be charged or credited to customers in that service classification or sub classification, with interest, over the subsequent RDM Adjustment period, or as determined by the Public Service Commission, if no RDM is in effect Credits applied to Customer accounts pursuant to P.S.C. No. 119, Rule 4.Q. shall be excluded at the subsequent annual reconciliation.
- e. The first two months of the Rate Year shall be adjusted upward to reverse the effect of proration of changes in effective delivery rates.
- f. If a customer qualifies for and takes service under Service Classification Nos. 13 or 14, or receives an allocation of NYPA Power, or if a customer taking service under Service Classification Nos. 13 or 14 switches to another service classification subject to the RDM, or has an allocation of NYPA power that expires, such customer migration shall be treated symmetrically using the following methodology:
  - i. If a customer moves from a flexible rate contract to an RDM class, the RDM target shall increase by the level of revenue forecast for that customer in the rate year under the flexible rate contract pro-rated by the number of months in the new service class, making the Company whole for delivery revenues below the level forecast in the rate year. Any revenue in excess of the forecast shall be credited to the RDM class.
  - ii. If a customer moves from a RDM class to a flexible rate contract, the RDM target shall be decreased by that customer's sales in the flexible rate contract priced out at full tariff rates, making the RDM class whole for delivery revenues from the migrating customer.
  - iii. In situation (a) and (b) above, the Companies shall adjust the RDM targets for the remaining months of the current rate year, and in the subsequent rate years.
- g. If at any time during Rate Year, the actual total accumulated billed delivery service revenues vary plus or minus 1.50% or more from the total accumulated Delivery Service Revenue Targets, the Company may file an interim RDM Adjustment for each service classification and sub classification. For the Rate Years listed below, the amounts by Rate Year (positive or negative) will trigger an interim RDM Adjustment for each service classification and sub classification:
  - i. Rate Year 1: \$8.87 million;
  - ii. Rate Year 2: \$9.57 million;
  - iii. Rate Year 3: \$10.06 million

Such interim RDM Adjustment shall be limited to no more than one per Rate Year and shall occur over four months or until the end of the Rate Year, whichever is longer.

- 4. A Revenue Decoupling Mechanism (RDM) Statement setting forth the rate adjustment shall be filed with the Public Service Commission on not less than 30-days' notice to be effective August 1. Should the Company file an interim RDM Adjustment as described above, such filing shall occur on not less than 10-days' notice. Such statement can be found at the end of this Schedule (P.S.C. No. 120 – Electricity).

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#### GENERAL INFORMATION

8. Reserved for Future Use

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



#### GENERAL INFORMATION

8. Reserved for Future Use

9. Economic Development Zone Incentive:

Upon application, a prospective or existing non-residential customer located in an approved Economic Development Zone ("Empire Zone"), that is eligible for service under Service Classification Nos. 2, 3, 6, 7 or 9, may qualify for the Economic Development Zone Incentive ("EDZI"), as stated in the applicable Special Provision for Economic Incentives of the respective service classifications for qualified electric use. Such eligible customer may qualify for the EDZI by operating or adding equipment at the premises with a nameplate rating equal to the lesser of: (a) 25% of the existing Contract Demand (or "Connected Load" for a non-Demand Charge service classification customer), or (b) 25 kilowatts (kW).

An eligible "prospective customer" is hereby defined as a business entity which demonstrates that: a) its activities are largely or entirely different in nature from that of the previous customer or b) if the activities are not different, the owner(s) is different; or c) business has not been conducted at the premises for at least six months prior to the application for EDZI benefits; or (d) the predecessor customer is in bankruptcy and the applicant has obtained the business in a liquidation sale.

An eligible "existing customer" is hereby defined as a business entity that does not qualify as a prospective customer and is presently taking electric service from the Corporation's system, thus establishing a base load. Such customer, upon application and qualification, must add equipment to increase its facility's existing load, as stated above, to qualify for this incentive, which is solely applicable to such increased load.

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## GENERAL INFORMATION

### 9. Economic Development Zone Incentive: (Cont'd)

A qualified customer may choose to take its entire service under S.C. No. 7 for the duration of the incentive term, and at the end of the incentive term such customer may either remain on the Service Classification No. 7 or revert to the otherwise applicable service classification. A customer who otherwise would be billed under S.C. No. 6 or 9, who does not choose to take service under S.C. No 7, shall be billed under S.C. No. 2 – General Service (Secondary Voltages with Demand Billing).

To qualify for the EDZI, an eligible customer, upon application, must present the Company with the appropriate certification from the approved Economic Development Zone Administrator. For customer load that qualifies on or after July 1, 2003, the EDZI shall be applied for a period of 10 years following initial zone certification, beginning with the eligibility date on the certificate, unless the customer's initial zone certification(s) becomes invalid, notwithstanding the expiration of the designation of an Economic Development Zone in the area where the customer is located.

A qualified customer shall have his monthly service bills reduced by the amount per kWh stated in the applicable Special Provision for Economic Incentives, for all kWh (excluding kWh associated with load supplied by the New York Power Authority) in excess of a base amount of kWh established for each monthly billing period. For an existing customer, the base amount of kWh shall be based on a one-year historical period, actual or estimated, as determined by the Company prior to qualification for the incentive. For a prospective customer, the base amount of kWh shall be zero. For load qualified on or after July 1, 2003, there shall be no such limitation (e.g., 730 hours use) on the kWhs to which the incentive shall apply.

Such economic incentive rate per kWh in effect at the time of qualification shall be applied to that customer's bill for the duration of the customer's valid certification, as specified above.

#### Eligibility for Rate Options

Customers receiving an Economic Development Zone Incentive (EDZI) for load qualified on or after July 1, 2003 may select one of the following rate options, as specified in General Information Section 25, Supply Service Options, for such qualified incented load: 1) NYSEG Supply Service (NSS) or 2) ESCO Supply Service (ESS) or 3) Hourly Pricing. The incentive rate reduction applicable to the qualified incented load under each rate option is set forth in the applicable Special Provision for Economic Incentives of the respective service classifications.

#### GENERAL INFORMATION

9. Economic Development Zone Incentive (Cont'd.)

Eligibility for Rate Options (Cont'd.)

If a prospective customer applying for service and also applying for this incentive has not elected a rate option by the time of billing, the Company shall bill the customer on the NSS rate.

A customer electing ESS must adhere to the process set forth in Section 25.I.I, Changing Supply Service Options. The Energy Services Company ("ESCO") shall contact the Company directly to convey the customer's ESS rate selection and Retail Access enrollment.

10. Economic Development Power ("EDP"):

Economic Development Power within Service Classification No. 7 is available under the following conditions:

As of March 1, 2003, customers were taking deliveries of 36.1 MW of EDP pursuant to FERC Rate Schedule No. 179. Subject to the provisions of this Section, those customers shall continue to be billed for delivery in accordance with FERC Rate Schedule No. 179. If any EDP allocation comprising part of the 36.1 MW being delivered in accordance with FERC Rate Schedule No. 179 as of March 1, 2003 is surrendered, terminated, withdrawn or otherwise relinquished, renewed or extended, and is then re-allocated by NYPA,

- i. such allocation shall be delivered by the Company at the standard ESCO Supply Service (ESS) rate (as specified in Section 25, Supply Service Options), which includes the Transition Charge (Non-Bypassable Charge ["NBC"]), and
- ii. the 36.1 MW level billed in accordance with FERC Rate Schedule No. 179 shall be reduced accordingly.

Beginning on August 1, 2007, customers taking deliveries of "New Allocations" of EDP shall be exempt from the Transition Charge (Non-Bypassable Charge ["NBC"]) in accordance with General Information Section 12.

EDP deliveries shall be exempt from the System Benefits Charge effective January 1, 2007. The rates and conditions provided in this provision are subject to review by, acceptance by or approval from the Federal Energy Regulatory Commission ("FERC") to the extent of the FERC's jurisdiction.

## GENERAL INFORMATION

### 11. Recharge New York (“RNY”) Power Program (Cont’d)

#### **Billing:**

The customer’s “RNY Contract Demand” shall be the level of demand specified in the customer’s RNY allocation approved by NYPA. The RNY allocation is comprised of 50% firm hydroelectric power (i.e. capacity and energy) from the Niagara and Saint Lawrence hydroelectric projects, and 50% market power (i.e. capacity and energy). The market power can be supplied by NYPA or the customer’s supplier for electricity in accordance with the Supply Service Options set forth in General Information Section 25.

The customer’s RNY allocation shall be subject to the Delivery Charges listed within the customer’s Service Classification, the Transition Charge (Non-Bypassable Charge [“NBC”]), and the Temporary State Assessment Surcharge (“TSAS”).

The customer’s RNY allocation shall be exempt from paying the System Benefit Charge. The customer’s RNY allocation shall be exempt from the Revenue Decoupling Mechanism (“RDM”) Adjustment (as described in General Information Section 7.).

The non-NYPA supplied load shall be billed at the ESCO Supply Service rate or the NYSEG Supply Service rate of the customer’s Service Classification.

#### **Demand Exceeding the RNY Contract Demand:**

To the extent that a customer’s maximum billing demand (maximum metered demand for S.C. No. 11), for the current month exceeds its RNY Contract Demand, the customer’s billing determinants shall be allocated between NYPA and the Company or the ESCO as described below in the section denominated “Load Factor Sharing.”

#### **Load Factor Sharing:**

For customers receiving a portion, but not all, of their electric requirements pursuant to a RNY allocation, the Company shall apply a billing algorithm, the Billing Determinant Ratio (“BDR”), to identify, for the purposes of billing delivery charges, the load eligible for the RNY program pursuant to Chapter 60 (Part CC) of the Laws of 2011 and the load considered non-RNY load.

#### **Determination of Billing Demand and Energy:**

For the purposes of this procedure, Billing Demand and Energy shall be determined in accordance with the customer’s Service Classification, for S.C. No. 11 Standby customers maximum metered demand shall be used. The RNY Contract Demand shall not be prorated for billing periods less than 25 days or longer than 35 days.

#### **Demand:**

- A. Calculate the BDR which is used to allocate the present month’s Billing Demand (maximum metered demand for S.C. No. 11) and Energy between RNY and Non-RNY. The BDR’s numerator is the RNY Contract Demand and the BDR’s denominator is the greater of:
1. the maximum Billing Demand for the current month, the maximum metered demand for S.C. No. 11,
  2. the value (size in kW) of the RNY Contract Demand.
- The calculated value shall then be greater than zero and less than or equal to 1.0.

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#### GENERAL INFORMATION

13. Reserved for Future Use

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#### GENERAL INFORMATION

14. Competitive Metering Option:

(a) General

This Section contains the rates, terms and conditions of the Company's Competitive Metering Option, consistent with the Commission's New York Practices and Procedures for The Provision of Electric Metering in A Competitive Environment, set forth within Addendum-MET of P.S.C. No. 119 ("Manual"), or superseding issues thereof.

Qualified Customers may obtain electric metering services from the Company or an entity other than the Company ("competitive metering services") consistent with the provisions of this Rule and P.S.C. No. 119. Competitive metering services may be obtained directly from a MSP which meets the requirements of Section 14.d below.

#### GENERAL INFORMATION

#### 14. Competitive Metering Option: (Cont'd.)

##### (b) Customer Qualification

- i. Qualified Customers whose entire or partial load is served under any of the Company's economic development incentive rates (EDZI or ILI) and who select the Competitive Metering Option must elect the Competitive Metering Option on their entire load. Similarly, Qualified Customers who receive a portion of their Electric Power Supply from NYPA (Replacement Power, HLFM, Preservation Power, WNY and and Recharge NY Power) and who select the Competitive Metering Option must elect the Competitive Metering Option on their entire load.
- ii. Qualified Customers, defined as those who have a metered demand of at least 50 kW at each meter in any two consecutive months during the most recent 12-month period, may select the Competitive Metering Option as set forth in the Manual.

Customers whose entire load is served under service class 13 or 14 contracts may be eligible for the Competitive Metering Option after their contracts expire, unless their contracts with the Company permit such customer to become eligible earlier.

A Customer who contracts with a qualified Meter Service Provider (MSP) and a qualified Meter Data Service Provider (MDSP) to provide meter services and meter data services must notify the Company in writing that it is procuring those services competitively. The MSP and MDSP must be qualified with the New York State Department of Public Service as set forth in the Manual.

- iii. Note that a Direct Customer, defined as a customer eligible for electric retail access, with one MW or greater of load in any hour that there is a scheduled transaction that acts without an ESCO and acts to procure Electric Power Supply solely for its own use and not for resale, is prohibited from acting as its own MSP or MDSP, pursuant to the Manual.

##### (c) Competitive Metering Charges

Qualified Customers who obtain competitive metering service(s) from an MSP/MDSP for competitive metering shall not be charged the Meter Ownership, Meter Service and/or Meter Data Service Charge for the specific service(s) provided by the competitive metering provider.



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14. Competitive Metering Option: (Cont'd.)

(d) MSP/MDSP Eligibility Requirements

An MSP/MDSP must have signed and delivered to the Company an Operating Agreement for Competitive Metering prior to their providing competitive metering services to a Qualified Customer.

#### GENERAL INFORMATION

14. Competitive Metering Option: (Cont'd.)

(e) Sign-up/Enrollment:

The MSP shall provide the Qualified Customer a statement of the MSP's terms and conditions that detail the Qualified Customer's rights, responsibilities, and expected costs ("Disclosure Statement"). A Qualified Customer's sign-up with the MSP shall not be effective until three calendar days after the Qualified Customer's receipt of the Disclosure Statement.

With a minimum notification time of 10-calendar days prior to the Qualified Customer's next scheduled meter reading date, the MSP must provide the Company with notice, using Electronic Data InterChange ("EDIC") mechanisms, stating that the MSP shall provide the Qualified Customer with competitive metering services beginning on a certain date. The MSP shall provide to the Company the name of the customer who is financially responsible for the account, service address, mailing address, account number, and meter number of the Qualified Customer to be enrolled. Until EDIC mechanisms are functional the Company shall accept the above-specified information by E-mail at [suppliers@nyseg.com](mailto:suppliers@nyseg.com).

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14. Competitive Metering Option: (Cont'd.)

(f) Meter Data Transfer

For revenue cycle meter data transfer (meter readings), the MSP/MDSP shall provide the Corporation, at no cost, all data required to issue a bill for the Company's services using Electronic Data InterChange ("EDIC") mechanisms.

A PSC-eligible MSP/MDSP shall read meters it owns/controls at the frequency specified by the Corporation, and shall provide the Company-required billing data within the time limits specified by the Corporation as further clarified in the Operating Agreement for Competitive Metering.

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14. Competitive Metering Option: (Cont'd.)

Reserved for Future Use

#### GENERAL INFORMATION

14. Competitive Metering Option: (Cont'd.)

(g) Indemnity and Limitation on Liability:

i. Indemnification:

MSPs/MDSPs agree to indemnify, defend and save the Company harmless from and against any and all liabilities, losses, damages, costs, expenses, causes of action, suits, judgments and claims, including, but not limited to, reasonable attorneys fees and the costs of investigation, (collectively "claims"), in connection with any action, suit or proceeding by or on behalf of any person, firm, corporation or other entity arising from, caused by or relating to the (1) curtailment or interruption of services to the MSP/MDSP or its Qualified Customers, due to causes beyond the control of the Company (including, without limiting the generality of the foregoing, executive or administrative rules or orders issued from time to time by State or Federal officers, commissions, boards or bodies having jurisdiction) or (2) interruption, irregularity, failure or defective character of services to the MSP/MDSP, its Qualified Customers, due to causes beyond the control of the Company (including, without limiting the generality of the foregoing, executive or administrative rules or orders issued from time to time by State or Federal officers, commissions, boards or bodies having jurisdiction) or (3) failure by MSP/MDSP to perform any of the agreements, terms, covenants or conditions of the Competitive Metering Program to be performed by MSP/MDSP or (4) failure of MSP/MDSP to perform any agreement between MSP/MDSP and its Qualified Customers.

ii. Limitation on Liability:

The Company shall endeavor at all times to provide regular and uninterrupted service to the MSP/MDSP, its Qualified Customers, but in case the service shall be interrupted or irregular or defective or shall fail, from causes beyond the control of the Company (including, without limiting the generality of the foregoing, executive or administrative rules or orders issued from time to time by State or Federal officers, commissions, boards, or bodies having jurisdiction) or because of the ordinary negligence of the Company or its employees, servants or agents, the Company shall not be liable to the MSP/MDSP, its Qualified Customers, therefor. Compliance with directives of the NYISO shall, without limitation by reason of specification, constitute a circumstance beyond the control of the Company for which the Company shall not be liable; provided, however, that the Company shall not be absolved from any liability to which it may otherwise be subject for gross negligence or intentional wrongdoing in the manner in which it carries out the NYISO instructions.

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14. Competitive Metering Option: (Cont'd.)

(h) Competitive Metering Fees

Consistent with the Manual, the Company shall assess the following fees associated with the Competitive Metering Option:

- i. If an MSP/MDSP requests an off-cycle meter read of a the Company-provided or the Company-controlled meter, the MSP shall be charged a fee of \$20.
- ii. If the Company removes an MSP meter, unless otherwise agreed to, the MSP shall be charged a fee of \$150.
- iii. To provide an MSP access to high-voltage CTs and PTs, the Company shall charge the MSP a fee of \$20.
- iv. If an MSP fails to keep a site visit appointment with the Company within 15 minutes of the agreed to time, the MSP shall be charged a fee of \$20.
- v. If an MSP switched a customer to competitive metering services without their authorization, the MSP shall be charged fees amounting to all reasonable costs incurred by the Company.

GENERAL INFORMATION

16. Customer Advantage Program - General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

9. Scheduling, Balancing and Settlement:

(a) The following applies to scheduling, balancing and settlement with the NYISO:

- i. ESCOs/DCs shall schedule Electric Power Supply directly with the NYISO.
- ii. The Company shall calculate customer load including the Company System Losses and UFE, by hour, and combine accounts by ESCO/DC and by subzone.
- iii. The Company shall adjust the sum of all ESCO/DC load so that the hourly usage equals the NYISO-supplied subzone loads.
- iv. The Company shall communicate the hourly load calculations to the NYISO, in accordance with the NYISO's Billing Schedule requirements for true-ups.
- v. The NYISO shall balance those hourly load calculations with the ESCO/DC bulk power deliveries, price the imbalance, and invoice or credit the ESCO/DC for the cost of the imbalance.

(b) When calculating wholesale hourly electric load allocations per ESCO/DC for reporting to the NYISO, the Company shall not allocate any portion of the subzonal UFE to Hourly Pricing customer load. The load assigned to ESCO/DCs for Hourly Pricing customers shall be the Hourly Pricing customer's metered hourly load plus the tariff voltage level / service class energy loss factor for that customer. All subzonal UFE shall be allocated to ESCO/DCs based on each ESCO/DCs share of non-Hourly Pricing load in a given hour.

#### GENERAL INFORMATION

#### 16. Customer Advantage Program - General Retail Access: (Cont'd.)

##### I. Indemnity and Limitation on Liability:

##### 1. Indemnification:

ESCO and DC, as applicable, agree to indemnify, defend and save harmless the Company from and against any and all liabilities, losses, damages, costs, expenses, causes of action, suits, judgments and claims, including, but not limited to, reasonable attorneys fees and the costs of investigation, (collectively "claims"), in connection with any action, suit or proceeding by or on behalf of any person, firm, corporation or other entity arising from, caused by or relating to the (i) curtailment or interruption of services to the ESCO or its Customers, or a DC, as applicable, due to causes beyond the control of the Company (including, without limiting the generality of the foregoing, executive or administrative rules or orders issued from time to time by State or Federal officers, commissions, boards or bodies having jurisdiction) or (ii) interruption, irregularity, failure or defective character of services to the ESCO, its Customers, or a DC, as applicable, due to causes beyond the control of the Company (including, without limiting the generality of the foregoing, executive or administrative rules or orders issued from time to time by State or Federal officers, commissions, boards or bodies having jurisdiction) or (iii) failure by ESCO or DC, as applicable, to perform any of the agreements, terms, covenants or conditions of the General Retail Access Program to be performed by ESCO or DC, as applicable, or (iv) failure of ESCO to perform any agreement between ESCO and its Customers.

##### 2. Limitation on Liability:

The Company shall endeavor at all times to provide regular and uninterrupted service to the ESCO, its Customers, or a DC, as applicable, but in case the service shall be interrupted or irregular or defective or shall fail, from causes beyond the control of the Company (including, without limiting the generality of the foregoing, executive or administrative rules or orders issued from time to time by State or Federal officers, commissions, boards, or bodies having jurisdiction) or because of the ordinary negligence of the Company or its employees, contractors, subcontractors, servants or agents, the Company shall not be liable to the ESCO, its Customers, or a DC, as applicable, therefor.

Compliance with directives of the NYISO shall, without limitation by reason of specification, constitute a circumstance beyond the control of the Company for which the Company shall not be liable; provided, however, that the Company shall not be absolved from any liability to which it may otherwise be subject for gross negligence or intentional wrong doing in the manner in which it carries out the NYISO instructions.



#### GENERAL INFORMATION

16. Customer Advantage Program - General Retail Access: (Cont'd.)

J. Consolidated Billing and Payment Processing

1. Description:

A Customer may elect Consolidated Billing and Payment Processing, consistent with the Commission's Order Establishing Uniform Retail Access Billing and Payment Processing Practices, Case 99-M-0631, issued May 18, 2001, as the same may be revised, modified, amended, clarified, supplemented or superseded. Further information is available at the New York Public Service Commission's website (<http://www.dps.ny.gov/ubr.htm>)

Company specific terms and conditions regarding Consolidated Billing and Payment Processing are detailed in the Billing Services Agreement and Supplier Manual.

2. Customer Eligibility:

Once EDIC for Consolidated Billing and Payment Processing is operational, Customers taking service under this Schedule, Service Classification Nos. 1, 2, 3, 5, 6, 7, 8, 9, or 12; or P.S.C. No. 121 - Electricity, may elect a Consolidated Billing and Payment Processing option, consistent with the above-referenced PSC Order.

3. Bill Issuance Charge:

A Customer electing Consolidated Billing and Payment Processing pursuant to this Section shall not be billed the monthly Bill Issuance Charge for the electric service for which Consolidated Billing and Payment Processing has been elected. All other customers receiving electric, gas, or combination service shall be billed one Bill Issuance Charge per bill.

4. Bill Processing Charges:

ESCOs shall be assessed a bill processing charge of \$0.81 per bill for a Company rendered consolidated bill for those customers with electric-only or gas-only service. ESCOs shall be assessed a bill processing charge of \$0.41 for electric service and \$0.40 for gas service for a Company rendered consolidated bill for those customers with a combination of electric and gas service.

5. Purchase of ESCO Accounts Receivable Program (POR):

- (a) ESCOs that elect the Company's consolidated billing option for all or a portion of their customers shall be required to sell their accounts receivable for such customers to the Company under the terms of the POR. ESCOs continue to have the right to issue their own bill using dual billing for all or a portion of their customers. Such ESCOs shall be precluded from participating in the POR for customers receiving dual billing.
- (b) The POR obviates the need for the Company to prorate partial customer payments among ESCOs that are participating in the POR.

#### GENERAL INFORMATION

16. Customer Advantage Program - General Retail Access: (Cont'd.)  
J. Consolidated Billing and Payment Processing

6. Account Separation Fee

In accordance with Section 9.C.4 of the UBP addendum to this schedule, an ESCO desiring to issue the Consolidated Bill for a customer with a Combination Account may request the Company to establish a separate account for the electric or gas service to be supplied by the ESCO. A fee of \$18.00 will be charged to the ESCO requesting establishment of a separate electric or gas account.

K. Purchase of ESCO Accounts Receivable Program (POR):

In accordance with the Joint Proposal on Purchase of Accounts Receivable ("POR JP") dated October 28, 2005, in Case 05-M-0453, as approved by the Public Service Commission's Order Adopting the Terms and Conditions of the Joint Proposal for the Purchase of Accounts Receivable, issued December 27, 2005, as amended with the Joint Proposal dated July 14, 2010 in Cases 09-E-0715, 09-G-0716, 09-E-0717, and 09-G-0718, and as further amended by the Joint Proposal dated February 19, 2016, in Cases 15-E-0283, 15-G-0284, 15-E-0285, and 15-G-0286. The Company shall purchase accounts receivable at a discount and without recourse for commodity sales by ESCOs that provide commodity service in the Company's territory.

Eligibility Requirements:

ESCOs that elect the Company's consolidated billing option for all or a portion of their customers shall be required to sell their accounts receivable for such customers to the Company under the terms of the POR. ESCOs continue to have the right to issue their own bill using dual billing for all or a portion of their customers. Such ESCOs shall be precluded from participating in the POR for customers receiving dual billing.

Purchase Price:

Electric accounts receivable shall be purchased at a discount off face value of the ESCO receivable. The discount rate shall be sufficient to compensate the Company for its financial risk in purchasing electric receivables, and be comprised of the following components:

- a) Commodity-related Uncollectible percentage based on total Company uncollectible costs for the most recent available twelve-month period divided by the sum of the total retail, retail access, and purchased ESCO receivables revenue for the same twelve-month period.
- b) Financial Risk Adder set at 20% of the applicable uncollectible percentage;
- c) Commodity-related credit and collections and call center percentage.

Discount rates shall be adjusted each year to reflect the Company's most recent twelve-month experience for uncollectible expense. Additionally, the credit and collections and call center allocation included in the discount rate shall be reconciled annually, with any under- or over-collections included in the following year's discount rate.

Beginning with the statement to be effective May 1, 2017, a POR Discount (DISC) Statement setting forth the electric discount and the gas discount will be filed with the Public Service Commission 60 days prior to the May 1, effective date of each annual update.

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16. Customer Advantage Program - General Retail Access: (Cont'd.)

K. Purchase of ESCO Accounts Receivable Program (POR): (Cont'd.)

Payments:

As specified in Appendix B of the POR JP, payments to ESCOs shall be made, via ACH (Automated Clearing House), 20 days after acceptance of the EDI 810 transaction.

Other Considerations:

The POR shall be subject to modifications based upon Commission orders, rules, and regulations applicable to retail access, including, but not limited to, the Uniform Business Practices, proration of customer payments under a single bill, and provisions of Home Energy Fair Practices Act. The POR obviates the need for the Company to prorate partial customer payments among ESCOs that are participating in the POR.

17. Reserved for Future Use

## GENERAL INFORMATION

### 22. Farm Waste Electric Generating System Option

#### A. Applicable To

1. Any customer, residential or non-residential, who owns or operates farm waste electric generating equipment ("Facility"), that generates electric energy from biogas produced by the anaerobic digestion of agricultural wastes with a rated capacity of not more than 1,000 kW, located and used at their "farm operation" as defined in Subdivision 11 of Section 301 of the Agriculture and Markets Law. Such definition states that a "farm operation" means the land and on-farm buildings, equipment, manure processing and handling facilities, and practices which contribute to the production, preparation and marketing of crops, livestock and livestock products as a commercial enterprise, including a "commercial horse boarding operation" as defined in subdivision thirteen of this Section 301 of the Agriculture and Markets Law.
2. Any non-residential customer that owns or operates a Facility that is located and used at their premises.

#### B. Operations

The Facility must be manufactured, installed and operated in accordance with applicable government and industry standards. Such Facility must be connected to the Company's electric system and operated in parallel with the Company's transmission and distribution facilities. The Facility must be fueled, at a minimum of 90% on an annual basis, by biogas produced from the anaerobic digestion of agricultural waste such as livestock manure materials, crop residues and food processing waste. The Facility must be fueled by biogas generated by anaerobic digestion with at least 50% by weight of its feedstock being livestock manure materials on an annual basis. The customer, at its expense, shall promptly provide to the Company all relevant, accurate and complete information, documents, and data, as may be reasonably requested by the Company, to enable the Company to determine whether the customer is in compliance with these requirements.

#### C. Eligible Capacity

The Farm Waste Electric Generating System Option shall be available to eligible customers, on a first come, first served basis, until the total rated generating capacity for solar, farm waste, MCHP and fuel cell electric generating equipment owned, leased or operated by customer-generators in the Company's service area is equivalent to 169,560 kW (6% of the Company's electric demand for the year 2005). However, the maximum amount of net metered generation that the Company must interconnect shall float for an interim basis until such time as the interim period ends as directed by the Commission in its Order issued October 16, 2015 in Case 15-E-0407.

#### D. Interconnection

Customers electing service under this provision must operate in compliance with standards and requirements set forth in the Distributed Generation Interconnection Requirements found in P.S.C. No. 119, Section 9 and Addendum-SIR to P.S.C. No. 119. In addition, customers must execute the New York State Standardized Contract For Interconnection of New Distributed Generation Units With Capacity of 2 MW or Less Connected in Parallel with Utility Distribution Systems ("SIR Contract"), as contained within Addendum-SIR of P.S.C. No. 119.

#### E. Metering

For a net metered customer, the Company shall install metering appropriate for the customer's service classification that enables the Company to measure the electricity delivered to the customer and measure the electricity supplied by the customer to the Company. Where the Company determines that a second meter should be installed, no additional costs shall be billed to the customer. When a second meter is requested by the customer that is not required by the Company, the customer shall be responsible for the cost of the meter, the installation and any additional costs.

#### F. Billing

For each billing period during the term of the SIR Contract, the Company shall net the electricity (kWh) delivered to the customer with the electricity (kWh) supplied by the customer to the Company.

1. Facility Located and Used for Farm Operations
  - a. Non-Hourly Pricing
    - i) If the electricity (kWh) supplied by the Company exceeds the electricity supplied by the customer to the Company during the billing period, the customer shall be billed for the net kWh supplied by the Company to the customer at the standard service class rates. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak or Day/Night, netting shall occur in each time period.

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

GENERAL INFORMATION

22. Farm Waste Electric Generating System Option (Cont'd.)

F. Billing (Cont'd)

1. Facility Located and Used at Farm Operations (cont'd)

a. Non-Hourly Pricing (Cont'd)

- ii. If the electricity (kWh) supplied by the customer to the Company during the billing period exceeds the electricity (kWh) supplied by the Company to the customer, a kWh credit shall be carried forward for the next billing period. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak or Day/Night, the kWh credit shall be carried forward as a credit to the appropriate time period.
- iii. For a demand-billed farm waste customer, prior to carrying forward any kWh credit, the kWhs shall be converted to a dollar value using the applicable tariff per kWh rate and applied as a credit to the current utility bill. If the dollar value of the kWh exceeds the current utility bill, any remaining dollars shall be converted back to kWhs and carried forward for the next billing period as a kWh credit.

For customers billed on TOU rates, if the electricity (kWh) supplied by the customer to the Company is not metered for each TOU period and until such time as metering is installed to measure electricity supplied to the Company in each TOU period, an allocation of the electricity supplied to the Company shall be done according to the allocation factors as set forth in a Special Provision provided in each service classification in this Schedule.

b. Hourly Pricing

- i. For customers billed on Hourly Pricing, for each hour, the customer's usage and its generation are netted within the hour.
- ii. Kilowatt-hour charges are calculated using the consumption in each hour in which the customer's usage exceeds the customer's generation multiplied by the applicable price.
- iii. The Company shall maintain two monetary values for the excess credits.
  - (a) For each hour the electricity generated and supplied by the customer exceeds the customer's usage, the kWh difference is multiplied by the avoided cost for energy for that hour. The result is the excess credit priced at avoided cost for that hour.
  - (b) For each hour in which the electricity generated and supplied by the customer exceeds the customer's usage, the kWh difference is summed together and then multiplied by the sum of the remaining per kWh charges (e.g., Energy Charge, Transition Charge, Merchant Function Charge, Ancillary & NTAC, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, SBC, TSAS, and RDM).
  - (c) The Company shall use excess credits from the prior month's bill period and the current bill period to develop a ratio between the excess credit priced at avoided cost and the excess credit for remaining per kWh charges. The excess credits are applied to the current bill. Any remaining credits are multiplied by the ratio to determine the excess credit at avoided cost and the excess credit for remaining per kWh charges to carry forward to the next month.

Residential customers who own or operate a farm operation (as defined by Agriculture and Markets Law §301(11)), and locate farm waste electric generating equipment on property they own or lease, is eligible for remote net metering as set forth in Rule 16.B.6.c.

2. Non-Residential – Facility Located and Used at their Premises

a. Non-Hourly Pricing

- i. If the electricity (kWh) supplied by the Company exceeds the electricity supplied by the customer to the Company during the billing period the customer shall be billed for the net kWh supplied by the Company to the customer at the standard service class rates. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, netting shall occur in each time period.
- ii. If the electricity (kWh) supplied by the customer to the Company during the billing period exceeds the electricity (kWh) supplied by the Company to the customer, the Company shall provide a credit on the next bill for net electricity supplied at the Corporation's avoided cost Service Classification 10 energy rate. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, the kWh credit shall be a credit for the appropriate time period.

## GENERAL INFORMATION

### 25. Supply Service Options

#### I. Supply Service Options

##### A. Supply Service Options

The Company shall offer a Retail Access choice and a Non-Retail Access choice, as described below. These Supply Service Options are available to all customers, except as noted herein and in Rule 25.I.F.

1. ESCO Supply Service (ESS): This Retail Access choice includes fixed charges for NYSEG delivery service a Transition Charge (Non-Bypassable Charge ["NBC"]) described in Rule 25.I.B. and a Bill Issuance Charge, if applicable. An ESCO provides Electric Power Supply to the customer.
2. NYSEG Supply Service (NSS): This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]) as described in Rule 25.I.B., a Bill Issuance Charge, a fluctuating commodity charge for electricity supplied by NYSEG, and a Merchant Function Charge ("MFC") as described in Rule 25.I.D.
  - a. The commodity charge for customers billed under Service Classification Nos. 1, 5, 6, 9 and non-demand billed Service Classification No. 11 customers within P.S.C. No. 120, and P.S.C. No. 121 Street Lighting, shall reflect a managed mix of supply resources.
  - b. The commodity charge for customers billed under Service Classification Nos. 2, 3, 7, 8, 12, Hourly Pricing demand billed Service Classification No. 11 customers within P.S.C. No. 120, shall reflect the market price of electricity.

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### **25. Supply Service Options: (cont'd.)**

#### **I. Supply Service Options (cont'd.)**

##### **A. Supply Service Options: (cont'd.)**

3. Hourly Pricing: This choice is for customers billed at a demand metered rate, which includes non-residential Service Classification Nos. 2, 3, and 7, and demand billed Service Classification No. 11 customers within P.S.C. No. 120. Customers may take service with an ESCO or with NYSEG under this choice.
  - a. For customers taking service with an ESCO, such customers will be responsible for fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]) as described in Rule 25.I.B.
  - b. For customers taking service with NYSEG, such customers will be responsible for fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]) as described in Rule 25.I.B., a commodity charge for electricity supply that fluctuates hourly with the market price (including losses, unaccounted for energy, capacity and capacity reserve), a Merchant Function Charge ("MFC") as described in Rule 25.I.D.

GENERAL INFORMATION

**25. Supply Service Options: (cont'd.)**

**I. Supply Service Options (cont'd.)**

**B. Transition Charge (Non-Bypassable Charge ["NBC"])**

**1. Calculation of the Transition Charge (Non-Bypassable Charge ["NBC"])**

This charge shall sum together the market value of the Company's owned hydro plant output at the generation source; the net market value of the purchased power contracts of the NUG and NYPA resources (market value of the purchased power contract costs determined at the generation source less the contract costs); monthly payments received by the Company from NYPA under the Recharge New York Residential Consumer Discount Program (New York Public Authorities Law § 1005(13-b)); any Public Service Commission approved adjustments; costs associated with the Demand Response Programs available pursuant to Rules 34, 35, or 36; all actual transmission wheeling expenses; certain actual wholesale transmission-related revenues (A \$54.3 million estimate of transmission revenues was included in the delivery revenue requirements calculated in Case No. 09-E-0715. Any difference between the actual amount of transmission revenues and the \$54.3 million embedded in base delivery rates, calculated on a historical monthly average basis, shall be captured in the NBC).

Effective December 1, 2011, pursuant to the Order in Case 01-E-0011, issued and effective October 26, 2001, the purchased power contract with the new owner of the nuclear generating plant previously co-owned by the Company shall convert to a Revenue Sharing Agreement (RSA).

Any applicable payments received under the RSA for a contract quarter shall be refunded to customers beginning in the calendar month following the month in which the payment is received. Such payments shall be refunded to customers over three consecutive months.

The NBC shall be set monthly based on a forecast and subject to a monthly true-up for all components based on the actual after-the-fact costs and load subject to the NBC.

- (i) The NBC shall include the Lost Revenue Recovery Mechanism (LRRM) as described in Section 25.I.E.
- (ii) All service classes shall pay the same charge on a volumetric basis, except residential customer classes who shall also receive the benefits, if any, of NYPA purchased power and monthly payments received by the Company from NYPA under the Recharge New York Residential Consumer Discount Program (New York Public Authorities Law § 1005(13-b)), consistent with any the Company contracts with NYPA for such purchased power and/or monthly payments.
- (iii) Any over- or under- collections from reconciliation of the Residential Agricultural Discount, as set forth in Rule 33.2.B, shall be included in a subsequent monthly NBC for the residential customer classes. Application of the Residential Agricultural Discount reconciliation amounts to the NBC shall not cause the NBC to reduce the delivery bill to less than zero.
- (iv) Credits provided to customers receiving the Standby Reliability Credit, as set forth in Service Classification 11, Special Provision (f), will be recovered through the NBC.



GENERAL INFORMATION

**25. Supply Service Options: (cont'd.)**

**I. Supply Service Options (cont'd.)**

**B. Transition Charge (Non-Bypassable Charge [“NBC”])**

**1. Calculation of the Transition Charge (Non-Bypassable Charge [“NBC”]): (cont'd.)**

- (iv) All items collected through the NBC shall be symmetrically reconciled and true-up monthly in a competitively neutral manner. The credits or charges related to the reconciliation shall be included in a subsequent monthly NBC.

A Transition Charge Statement setting forth the Transition Charge (NBC) shall be filed with the Public Service Commission on not less than one days' notice.

**C. Calculation of the Commodity Charge**

**1. S.C. Nos. 1, 5, 6, 9, 11, and P.S.C. No. 121 (Street Lighting)**

The charge for Electric Power Supply provided by NYSEG shall fluctuate with the market price of electricity and shall include the following components; Energy, Energy Losses, Unaccounted For Energy (“UFE”), Capacity, Capacity Reserves, Capacity Losses, Ancillary Services/NTAC, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, Hedge Adjustment and Supply Adjustment Charge. The methodology for calculating the Energy and Capacity components of the charge for Electric Power Supply is as follows:

**Energy Component:** For each day of the customer’s billing cycle, a daily average value of market supply is derived from forward trading market prices of electricity for the region (East or West of the NYISO Total East Interface) in which the Customer is located and previous true-ups, weighted to reflect hourly usage based on service classification load profiles for the calendar month and day-type (Weekday, Saturday or Sunday/Holiday). Separate calculations shall be made for each metered time period for the Customer’s individual Service Classification.

The daily load weighted market price of energy shall be adjusted to reflect losses. These daily average market supply values are used in conjunction with the service classification profile to develop a weighted average value of market supply for each metered time period within the Customer’s specific billing period. The weighted average of market supply is multiplied by the Customer’s metered kWh usage for each metered time period to determine the value of market supply.

**Capacity Component:** The Capacity component is calculated using the market-clearing price of capacity converted to \$/kWh as determined from the NYISO’s monthly and spot capacity auctions for the capacity zone in which the customer is located. The capacity price shall also include capacity losses and reserves. The service class profile shall be used to determine the customer’s capacity responsibility of state-wide system peak demand. A new capacity responsibility amount shall be effective each May 1st. The service class profile contribution to the system peak demand may need to be adjusted for a growth factor.

Capacity Charge = UCAP Charge + Demand Curve Reserve Charge

$UCAP_{req} = (UCAP_{req} * (1 + Reserve_{req}) * Price_{monthlyauc})$

$UCAP_{req}$  = The demand for the customer’s service class that occurred at the time of the New York system peak of the prior year, grossed up for losses and a growth factor.

$Reserve_{req}$  = Additional reserve requirement as required by NYISO.

$Price_{monthlyauc}$  = Monthly NYISO auction price.

$Demand Curve Reserve Charge = (UCAP_{req} * DemandCurveReserve_{req}) * Price_{spotauc}$

$UCAP_{req}$  = Described above.

$DemandCurveReserve_{req}$  = Allocation of additional capacity requirement as required by the NYISO’s demand curve.

$Price_{spotauc}$  = Monthly NYISO SPOT auction price.

**Ancillary Services/NYPA Transmission Adjustment Charge (NTAC) Component:** The ancillary services/NTAC shall be forecasted each month and included in the supply price and subsequently reconciled.

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### 25. Supply Service Options: (cont'd.)

#### I. Supply Service Options (cont'd.)

##### C. Calculation of the Commodity Charge (cont'd.)

###### 1. S.C. Nos. 1, 5, 6, 9, 11), and PSC No. 121 (Street Lighting)

NYISO Related Transmission Charges: Transmission project costs allocated to the Company under the NYISO tariff as approved by FERC.

Hedge Adjustment: The hedge adjustment shall pass through to customers the impact of any hedge position entered into on behalf of such customers.

Supply Adjustment Charge Component: Unaccounted For Energy and all costs incurred related to supply shall be reconciled and recovered or refunded through a subsequent Supply Adjustment Charge incorporated in the supply charge.

###### 2. Non-Hourly Pricing S.C. Nos. 2, 3, 7, 8, 11 (Demand), and 12

The charge for Electric Power Supply provided by the Company shall fluctuate with the market price of electricity and shall include the following components: Energy, Energy Losses, Unaccounted for Energy ("UFE"), Capacity, Capacity Reserves, Capacity Losses, Ancillary Services/NTAC, and a Supply Adjustment Charge. The methodology for calculating the Energy and Capacity components of the charge for Electric Power Supply is as follows:

Energy Component: For each day of the customer's billing cycle, a daily average value of market supply is derived from the day ahead NYISO posted Locational Based Marginal Prices (LBMP) of electricity for the region (East or West of the NYISO Total East Interface) in which the Customer is located, weighted to reflect hourly usage based on service classification load profiles for the calendar month and day-type (Weekday, Saturday or Sunday/Holiday). Separate calculations shall be made for each metered time period for the Customer's individual Service Classification. LBMP in Zone C shall be used for customers electrically connected West of the Total East NYISO Interface. LBMP in Zone G shall be used for customers electrically connected East of the NYISO Total East Interface.

The daily load weighted market price of energy shall be adjusted to reflect losses and Unaccounted For Energy. These daily average market supply values are used in conjunction with the service classification profile to develop a weighted average value of market supply for each metered time period within the Customer's specific billing period. The weighted average value of market supply is multiplied by the Customer's metered kWh usage for each metered time period to determine the value of market supply.

Capacity Component: The Capacity component is calculated using the market-clearing price of capacity converted to \$/kWh as determined from the NYISO's monthly and spot capacity auctions. The Capacity Component shall be revised in accordance with each monthly UCAP auction held by the NYISO. The capacity price shall also include capacity losses and reserves based on the NYISO monthly and spot capacity auctions. The service class profile shall be used to determine the customer's capacity responsibility of state-wide system peak demand. A new capacity responsibility amount shall be effective each May 1<sup>st</sup>. The service class profile contribution to the system peak demand may need to be adjusted for a growth factor.

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

GENERAL INFORMATION

**25. Supply Service Options: (cont'd.)**

**I. Supply Service Options (cont'd.)**

**C. Calculation of the Commodity Charge (cont'd.)**

**2. S.C. Nos. 2, 3, 7, 8, 11 [Demand], and 12 (Cont'd)  
Capacity Component (Cont'd)**

Capacity Charge = UCAP Charge + Demand Curve Reserve Charge

UCAP Charge = (UCAPreq \* (1 + Reservereq)\* Pricemonthlyauc)

UCAPreq = The demand for the customer's service class that occurred at the time of the New York system peak of the prior year, grossed up for losses and a growth factor.

Reservereq = Additional reserve requirement as required by NYISO.

Pricemonthlyauc = Monthly NYISO auction price.

Demand Curve Reserve Charge = (UCAPreq \* DemandCurveReservereq)\* Pricespotauc)

UCAPreq = Described above.

DemandCurveReservereq = Allocation of additional capacity requirement as required by the NYISO's demand curve.

Pricespotauc = Monthly NYISO SPOT auction price.

Ancillary Services/NYPA Transmission Adjustment Charge (NTAC) Component: The ancillary services/NTAC shall be forecasted each month and included in the supply price and subsequently reconciled.

NYISO Related Transmission Charges:

Transmission project costs allocated to the Company under the NYISO tariff as approved by FERC.

Supply Adjustment Charge Component: All costs incurred related to supply shall be reconciled and recovered or refunded through a subsequent Supply Adjustment Charge incorporated in the supply charge.

**D. Merchant Function Charge (MFC):**

The MFC shall be applicable to only those customers taking supply service from the Company (*i.e.*, NSS and Hourly Pricing) and is set forth in a statement at the end of this Schedule (P.S.C. No. 120 – Electricity). A separate MFC shall be calculated for Non-demand billed (hedged), (S.C. Nos. 1, 5, 6, 9, and street lighting), Non-demand billed (non-hedged), (S.C. Nos. 8 and 12), and Demand billed (S.C. Nos. 2, 3, 7, 11, 13, and 14) customers. For Service Classification Nos. 11, 13, and 14, the customer's otherwise applicable service classification shall determine the applicable MFC.

1.) The MFC shall include the following rate components as described in the Joint Proposal dated July 14, 2010 in Case Nos. 09-E-0715, 09-G-0716, 09-E-0717, and 09-G-0718, and as further amended by the Joint Proposal dated February 19, 2016, in Cases 15-E-0283, 15-G-0284, 15-E-0285, and 15-G-0286.

- a) Commodity-related Uncollectible Costs
- b) Commodity-related Credit and Collections and Call Center costs;
- c) Commodity-related Administrative costs;
- d) Cash Working Capital on Purchased Power costs and
- e) Cash Working Capital on Commodity Hedge Margin costs.

## GENERAL INFORMATION

### 25. Supply Service Options: (cont'd.)

#### I. Supply Service Options (cont'd.)

##### D. Merchant Function Charge (MFC): (cont'd.)

2.) The MFC components shall be updated and reconciled as stated below in accordance with the Joint Proposal dated July 14, 2010 in Case Nos. 09-E-0715, 09-G-0716, 09-E-0717, and 09-G-0718, and as further amended by the Joint Proposal dated February 19, 2016, in Cases 15-E-0283, 15-G-0284, 15-E-0285, and 15-G-0286.

- a) Commodity-related Uncollectible Costs
  - The commodity related uncollectible percentage rate shall be reset annually based on the most recent available 12-month period of actual uncollectibles
  - The commodity-related uncollectible component of the MFC shall be calculated each month by multiplying the uncollectible percentage rate for each of the groups described above by the associated monthly electric supply cost.
- b) Commodity-related Credit and Collections and Call Center costs
  - The Credit and Collections and Call Center costs Component shall be reconciled annually for differences in actual versus design sales only. The unit rate shall be reset annually based on recent MFC and POR sales forecasts.
- c) Commodity-related Administrative costs
  - The Administrative Component shall be reconciled annually for differences in actual versus design sales only. The unit rate shall be reset annually based on recent sales forecasts.
- d) Cash Working Capital on Purchased Power costs
  - If the New York Independent System Operator starts weekly billing, the electric MFC shall include a component for Cash Working Capital on Purchase Power.
  - Working Capital on Purchase Power shall be calculated based on the Companies' pre-tax rate of return.
  - The Companies shall reconcile the Working Capital on Purchased Power to actual applicable costs. This component shall be updated annually to reflect actual costs from the most recently available 12-month period and the most recent sales forecast.
- e) Cash Working Capital on Commodity Hedge Margin costs
  - The cash working capital on Commodity Hedge cost component shall be based on the Companies' pre-tax rate of return and shall be reconciled to actual costs annually. Additionally, this component shall be updated annually to reflect actual costs from the most recently available 12-month period and the most recent sales forecast.

##### E. Lost Revenue Recovery Mechanism (LRRM)

The LRRM shall be a component of the Transition Charge (Non-Bypassable Charge ["NBC"]). The LRRM shall consist of the collection/return of the under- or over-recovered unavoidable costs embedded in the MFC for any period up to and including 8/25/10.

Under or over collection of MFC related costs for MFC's in effect after 8/25/11 shall be collected through the MFC reset.

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GENERAL INFORMATION

**25. Supply Service Options: (cont'd.)**

**I. Supply Service Options (cont'd.)**

**F. Customer Eligibility Exceptions:**

**1. Customers Applying for Service:**

If a customer applying for Service has not elected a Supply Service option by the time of billing, the Company shall bill the customer at the appropriate default option as explained in Section 25.I.H. When a customer contacts the Company with their choice, that Supply Service option shall be applicable to usage on and after the next regularly-scheduled estimated or actual meter reading date after such contact.

**2. Incentive Rate Customers:**

Customers receiving an Economic Incentive may select a Supply Service option, as specified in the applicable Special Provision for Economic Incentives of the respective service classifications. The customer must choose the same Supply Service option for their entire load.

**3. NYPA Customers**

Customers who receive a portion of their Electric Power Supply from NYPA, (Expansion, HLFM, Replacement or Preservation Power, Recharge NY Power, WNY), with Standard Load (non-NYPA load), shall be permitted to take service under any Supply Service option for their Standard Load. The NYPA load shall continue to be billed in accordance with General Information Section 11 or the Special Provision of Service Classification No. 7. If the NYPA allocation expires or is terminated, the Supply Service option for that load shall be the same option the customer selected for the Standard Load (non-NYPA load).

#### GENERAL INFORMATION

### 25. Supply Service Options: (cont'd.)

#### I. Supply Service Options (cont'd.)

##### F. Customer Eligibility Criteria: (cont'd.)

#### 4. Service Classification No. 11 ("S.C. No. 11")

A customer taking service under S.C. No. 11 is eligible to select a Supply Service option as follows:

- a. "OASC": A customer taking service under S.C. No. 11 as an Existing Customer having elected the Phase-In, or as a Designated Technology Customer having elected the one-time exemption, both as defined in S.C. No. 11, shall be billed at otherwise applicable service classification ("OASC") rate. Such customers are eligible for: 1) the NYSEG Supply Service (NSS), unless the customer is required to participate in mandatory Hourly Pricing or voluntarily elects Hourly Pricing, or 2) the ESCO Supply Service (ESS).
- b. S.C. No. 11: A customer taking service under SC 11, shall be billed at the SC 11 rates set forth under the section "RATES". Such customers are eligible for: 1) the NYSEG Supply Service (NSS), unless the customer is required to participate in mandatory Hourly Pricing or voluntarily elects Hourly Pricing, or 2) the ESCO Supply Service (ESS).

#### 5. Service Classification Nos. 13 or 14 ("S.C. No. 13" or "S.C. No. 14") Contracts

A customer taking service under S.C. Nos. 13 or 14 whose contract expires during the Enrollment Period is eligible for a Supply Service option as described in Section 25.I.A.

A customer taking service under S.C. Nos. 13 or 14 whose contract expires on or after January 1, 2008, may select a Supply Service option, upon expiration of their contract, subject to the rules specified in Section 25.I.I.5, S.C. No. 13 or S.C. No. 14 Contracts Expiring. A customer receiving service under such S.C. No. 13 or S.C. No. 14 contract shall not be eligible to select a Supply Service option during the term of the contract, unless the contract so provides.

#### 6. Hourly Pricing

Hourly Pricing is mandatory for certain non-residential demand billed customers in Service Classification Nos. 2, 3, and 7, and demand billed Service Classification No. 11. A customer billed at an Hourly Pricing rate is eligible to select a Supply Service option as defined in Rule 25.I.A.3:

Customers that received an Economic Incentive or NYPA allocation on or before December 31, 2006 are exempt from mandatory Hourly Pricing.

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#### GENERAL INFORMATION

### **25. Supply Service Options: (cont'd.)**

#### **I. Supply Service Options (cont'd.)**

##### **G. Reserved for Future Use**

##### **H. Default Process:**

If a customer applying for service has not elected a Supply Service option, the Company shall bill the customer under the Company Supply Service option or Hourly Pricing, as appropriate.

31. Micro-Hydroelectric Service Option

A. Residential

Applicable to any Residential Customer (as defined by HEFPA) who owns or operates micro-hydroelectric generating equipment located and used at their residence. Micro-hydroelectric generating equipment is defined as a hydroelectric system with a rated capacity of not more than 25 kW; that is manufactured, installed and operated in accordance with applicable government and industry standards. Such system must be connected to the customer's electric system and operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in conjunction with an electric corporation's transmission and distribution facilities, and that is operated in compliance with any standards and requirements established under this section.

Application of the Micro-hydroelectric Electric Service Option shall be available to eligible customers, on a first come, first served basis, until the total rated generating capacity for solar, farm waste, MCHP, fuel cell electric generating equipment and micro-hydroelectric electric generating equipment owned or operated by customer-generators in the Company's service area is equivalent to 169,560 kW (6% of the Company's electric demand for the year 2005) and is available only in non-network areas of the Company's territory to residential service classifications. However, the maximum amount of net metered generation that the Company must interconnect shall float for an interim basis until such time as the interim period ends as directed by the Commission in its Order issued October 16, 2015 in Case 15-E-0407.

Customers electing service under this provision must execute a New York State Standardized Contract for Interconnection of New Distributed Generation Units with Capacity of 5 MW or Less Connected in Parallel with Utility Distribution Systems ("SIR Contract"). In addition, customers must operate in compliance with standards and requirements set forth in the New York State Standard Interconnection Requirements and Application Process for New Distributed Generators 5 MW or Less Connected in Parallel with Utility Distribution Systems, as set forth within Addendum-SIR of P.S.C. No. 120.

For a net metered customer, the Company shall install one meter appropriate for the customer's service classification that enables the Company to measure the electricity delivered to the customer and measure the electricity supplied by the customer to the Company. Where the Company determines that a second meter should be installed, no additional costs shall be billed to the customer. When a second meter is requested by the customer that is not required by the Company, the customer shall be responsible for the cost of the meter, the installation and any additional costs.

For each billing period during the term of the SIR Contract, the Company shall net the electricity (kWh) delivered to the customers with the electricity (kWh) supplied by the customer to the Company.

- a) If the electricity (kWh) supplied by the Company exceeds the electricity supplied by the customer to the Company during the billing period, the customer shall be billed for the net kWh supplied by the Company to the customer at the standard service class rates. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, netting shall occur in each time period.
- b) If the electricity (kWh) supplied by the customer to the Company during the billing period exceeds the electricity (kWh) supplied by the Company to the customer, a kWh credit shall be carried forward for the next billing period. For customer billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, the kWh credit shall be carried forward as a credit to the appropriate time period.



GENERAL INFORMATION

31. Micro-Hydroelectric Service Option (Cont'd)

A. Residential (Cont'd)

Upon the Company's determination that the customer has taken service under this Section while in violation of the conditions of service set forth herein, the customer shall forfeit any positive balance accrued during the annual period in which the violation occurred.

Pursuant to the Standard Interconnection Requirements set forth within Addendum-SIR of P.S.C. No.119, customers are responsible for providing all meter boxes and sockets. In the event that the Company determines that it is necessary to install a dedicated transformer or transformers, or other equipment to protect the safety and adequacy of electric service provided to other customers, the customer-generator shall pay for the cost of installing the transformer or transformers, or other equipment up to a maximum amount of \$350.00. The Company shall not charge any additional micro-hydroelectric electric specific interconnection costs incurred by the Company other than \$350.00 for dedicated transformers, or other equipment, if necessary. Customers are responsible for any costs related to the installation of their micro-hydroelectric generating equipment. Notwithstanding the provisions herein, residential micro-hydroelectric electric customers are responsible for meeting all otherwise applicable provisions and requirements of P.S.C Nos. 119 and 120.

Residential customers who own or operate a farm operation (as defined by Agriculture and Markets Law §301(11)), and locate micro-hydroelectric generating equipment on property he or she owns or leases, is eligible for remote net-metering as set forth in Rule 31.B(4)(b).

B. Non-Residential

1. Applicable to:

Applicable to any non-residential Customer who owns or operates micro-hydroelectric generating equipment located and used at their premises. Micro-hydroelectric generating equipment is defined as a hydroelectric system with a rated capacity of not more than 2,000 kW; that is manufactured, installed and operated in accordance with applicable government and industry standards. Such system must be connected to the customer's electric system and operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in conjunction with an electric company's transmission and distribution facilities, and that is operated in compliance with any standards and requirements established under this section.

Application of the Micro-hydroelectric Electric Service Option shall be available to eligible customers, on a first come, first served basis, until the total rated generating capacity for solar, farm waste, MCHP, fuel cell electric generating equipment and micro-hydroelectric electric generating equipment owned, leased or operated by customer-generators in the Company's service area is equivalent to 169,560 kW (6% of the Company's electric demand for the year 2005) and is available only in non-network areas of the Company's territory. However, the maximum amount of net metered generation that the Company must interconnect shall float for an interim basis until such time as the interim period ends as directed by the Commission in its Order issued October 16, 2015 in Case 15-E-0407.

Customers electing service under this provision must execute a New York State Standardized Contract for Interconnection of New Distributed Generation Units with Capacity of 5 MW or Less Connected in Parallel with Utility Distribution Systems ("SIR Contract"). In addition, customers must operate in compliance with standards and requirements set forth in the New York State Standard Interconnection Requirements and Application Process for New Distributed Generators 5 MW or Less Connected in Parallel with Utility Distribution Systems, as set forth within Addendum-SIR of P.S.C. No. 119.

#### GENERAL INFORMATION

33. Residential Agricultural Discount (“RAD”) (Cont’d)

A. Applicability (Cont’d):

- a. The RAD shall be applied to qualified customers’ bills no later than three billing cycles from when the Company receives the completed application and copy of the appropriate federal tax form.
- b. A customer must reapply by July 1 of each year by providing their current federal tax forms as filed with their Federal Tax Return for the current tax year. The customer shall be qualified to receive credits for the Program Year.
- c. If the above documentation is not received by July 1, the customer shall forego their RAD credit until the proper documentation is provided to the Company. The customer shall be qualified to receive credits for the remaining period of the Program Year.

B. Calculation of the RAD:

1. The RAD shall be calculated monthly based on the monthly forecast sales of each customer who has qualified for and is scheduled to receive a credit.
2. The RAD shall be subject to a monthly reconciliation for any over/under credits. Any over/under credits as a result of the reconciliation shall be added to or subtracted from the Transition Charge as set forth in Rule 25.1.B.1(iii).
3. The monthly RAD credit provided to customers shall be the RAD multiplied by the customer’s billed kilowatt hours and shall not exceed the net total monthly electric delivery bill for each customer.
  - a. If the customer is participating in net metering as established in PSL Section 66-j or PSL Section 66-l, and set forth in this Schedule, the RAD credit shall be applied to any electricity supplied by the Company that exceeds the generation supplied by the customer.
    - i. If a residential farm customer is eligible for Remote Net Metering, and the Host Account generates more energy than the Company supplies, the RAD credit shall be included in the calculation to value the excess generation.

C. Filings

A Residential Agricultural Discount (RAD) Statement setting forth the rate shall be filed with the Public Service Commission on not less than three (3) days’ notice. Such statement can be found at the end of this Schedule (PSC 120 – Electricity).

34. Distribution Load Relief Program

A. Applicability

All customers taking service under Service Classification Nos. 1, 2, 3, 6, 7, 8, 9, 11, and 12, whether receiving electricity supply from the Company or an ESCO, including any NYPA Customer; and to any Aggregator that meets the requirements of this Program.

GENERAL INFORMATION

38. Rate Adjustment Mechanism ("RAM")

A. Applicable to all customers taking electric delivery service.

B. RAM Eligible Deferrals and Costs:

All RAM Eligible Deferrals and Costs shall be the difference between actual costs and the amounts provided for in base rates. RAM Eligible Deferrals and Costs shall include:

1. Property Taxes;
2. Major Storm Deferral Balances; and
3. Reforming the Energy Vision ("REV") costs and fees which are not covered by other recovery mechanisms
4. Company Electric Pole Attachment Revenue Requirements

All RAM revenues and deferrals are subject to reconciliation.

C. Annual RAM Recovery / Return Limits:

The annual RAM recovery / return shall be limited to \$19.3 million for electric. The RAM will only be implemented for the Company once the limit is reached from netting the RAM Eligible Deferrals. Any net RAM Eligible Deferral value in excess of the limit shall remain deferred and shall be carried forward to the calculation of the RAM limits in the following year. Any net regulatory asset or liability in excess of the Company's annual RAM recovery / return limit shall be carried forward to the calculation of the RAM in the following year.

D. Deferred Regulatory Asset and Liability Balances:

The Company shall measure the deferred regulatory asset and liability balances for the items specified as RAM Eligible Deferrals and Costs (listed above) as of December 31 for each year. The RAM shall be identified in the Company's respective RAM Compliance Filings submitted on March 31 of each year and shall be implemented in rates on July 1 of each year for collection over the 12 months from July 1 to June 30. The RAM Compliance Filings will include proposed RAM rates by service classification. Annually, the Company will submit RAM tariff statements effective on July 1.

The first RAMs shall be effective July 1, 2017 based on eligible deferred balances as of December 31, 2016.

E. RAM Annual Recovery / Return Allocation:

The electric RAM annual recovery/ return amounts shall be allocated to service classifications based on delivery service revenues and recovered on a per kWh basis for non-demand customers, on a per kW basis for demand billed customers, and per As-Used Demand basis for Standby customers.

F. Carrying Costs:

The Company shall accrue carrying costs on RAM Eligible Deferrals and costs as follows:

1. During the period that the RAM is in effect for those deferral balances being specifically collected or returned, carrying costs shall be based on the Commission's authorized Other Customer Capital Rate.
2. RAM Eligible Deferral Balances not in the RAM tariff due to the annual dollar amount restrictions set forth above shall accrue carrying charges as follows:
  - i. Net Deferral amounts at or under the annual RAM recovery / return limits shall accrue carrying charges at the Other Customer Capital Rate;
  - ii. Additional deferral amounts over the annual RAM recovery / return limits, up to one year's worth of value, shall accrue carrying costs at the Other Customer Capital Rate; and
  - iii. Additional deferral amounts over the annual RAM recovery / return limits in Rule 38.F.2.i and 2.ii above, shall accrue carrying costs at the Company's respective Pre-Tax Weighted Cost of Capital, applied to the after-tax balance.

G. Filings and Statements:

1. A RAM Compliance Filing setting forth the RAM rates by Service Classification shall be filed with the Commission by March 31 on an annual basis.
2. A RAM Statement setting forth the RAM rates shall be filed with the Commission on not less 30 days' notice to be effective July 1. Such statement may be found at the end of this Schedule.

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SERVICE CLASSIFICATION NO. 1 (Continued)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (Cont'd.)

**1. ESCO Supply Service (ESS)**

This Retail Access choice includes fixed charges for NYSEG delivery service and a Transition Charge (Non-Bypassable Charge ["NBC"]). Supply Service shall be provided by an Energy Services Company (ESCO). Customers that elect ESS and receive a Consolidated Bill shall not be subject to the Bill Issuance Charge.

RATE: (Per Meter, Per Month)

Delivery Service:

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$15.11	\$15.11	\$15.11
<b>Energy Charge</b> (All kWh, per kWh)	0.03676	0.03963	0.04256

**Transition Charge (Non-Bypassable Charge ["NBC"])**

All kWh, per kWh      See Transition Charge Statement

**Bill Issuance Charge** (per bill):      \$0.81, as described in General Information Section 16.J.

**Rate Adjustment Mechanism ("RAM"):**

All kWh, per kWh      See RAM Statement, as described in Rule 38

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 New York State Electric & Gas Corporation  
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 Superseding Revision: 10

SERVICE CLASSIFICATION NO. 1 (Continued)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (Cont'd.)

**3. NYSEG Supply Service (NSS)**

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]), a fluctuating commodity charge for electricity supplied by the Company, and a Merchant Function Charge.

RATE: (Per Meter, Per Month)

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Delivery Charges</b>			
Customer Charge	\$15.11	\$15.11	\$15.11
Energy Charge (All kWh, per kWh)	0.03676	0.03963	0.04256

**Transition Charge (Non-Bypassable Charge ["NBC"])**

All kWh, per kWh See Transition Charge Statement

**Commodity Service**

The charge for Electric Power Supply provided by the Company shall fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

**Merchant Function Charge:**

All kWh, per kWh See Merchant Function Charge Statement

**Bill Issuance Charge (per bill):** \$0.81, as described in General Information Section 16.J.

**Rate Adjustment Mechanism ("RAM"):**

All kWh, per kWh See RAM Statement, as described in Rule 38

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SERVICE CLASSIFICATION NO. 1 (Continued)

**MERCHANT FUNCTION CHARGE:**

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply, as further explained in General Information Section 25.D. Customers whose electricity is supplied by an ESCO are not charged for this service.

**MINIMUM CHARGE:**

The minimum charge for service under this Service Classification is the monthly Customer Charge plus the Bill Issuance Charge, if applicable, as listed above.

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

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Section 4). See SBC Statement.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Section 28). See TSAS Statement.

**REVENUE DECOUPLING MECHANISM ("RDM"):**

A customer taking service under this Service Classification shall be subject to a Revenue Decoupling Adjustment (as explained in this Schedule, General Information Section 7). See RDM Statement.

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Section 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):**

The RAM shall be applied per kWh to all kWh delivered under this Service Classification (as explained in in this schedule, General Information Rule 38). See RAM Statement.

**INCREASE IN RATES AND CHARGES:**

The rates and charges under this Service Classification, including minimum charges, shall be increased by a surcharge pursuant to Section 6 of this Schedule to reflect the tax rates applicable within the municipality where the customer takes service.

**TERMS OF PAYMENT:**

All bills are rendered at the above "Unit Prices" 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 of 1½% per month shall be billed on all amounts not paid by that date. (Further details in Section 4 of P.S.C. No. 119 - Electricity or superseding issues thereof.)

**TERM:**

One month and thereafter until terminated by 48 hours' notice.

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

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SERVICE CLASSIFICATION NO. 1 (Continued)

SPECIAL PROVISIONS:

(a) Seasonal Service:

Upon request, customers who, during a period of six or more consecutive months, make only occasional (compared to the balance of the year) or no use of electric service at their premises may have their service maintained throughout the period, not to exceed eight months, and shall be billed for the kWh consumed during this period at the following unit prices per kWh:

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Delivery Charges</b> (All kWh, per kWh)	0.03676	0.03963	0.04256
<b>Transition Charge</b> (All kWh, per kWh)	See Transition Charge Statement		

The total bill for delivery service, however, for the year shall in no case be less than \$181.32 plus actual billed Bill Issuance Charges.

Commodity Service

Customers served under this special provision shall be billed for supply service in accordance with the customer's Supply Service Option (ESS or NSS).

Merchant Function Charge

Customers served under this special provision taking service under the NSS shall be required to pay the Merchant Function Charge set forth on the Merchant Function Charge Statement.

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## SERVICE CLASSIFICATION NO. 2

### APPLICABLE TO THE USE OF SERVICE FOR:

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

### 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.)

### SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS:

Pursuant to General Information Section 25, Supply Service Options, customers served under this Service Classification shall choose from different electric rate choices offered by the Company as described below. The Company shall offer a Retail Access rate choice and Non-Retail Access rate choices.

The Retail Access choice is the ESCO Supply Service (ESS). The Non-Retail Access choices include the NYSEG Supply Service (NSS) and Hourly Pricing.

*The Company shall provide Delivery Service regardless of the customer's Supply Service Option.*

#### 1. ESCO Supply Service (ESS)

This Retail Access choice includes fixed charges for NYSEG delivery service and a Transition Charge (Non-Bypassable Charge ["NBC"]). Supply Service shall be provided by an Energy Services Company (ESCO). Customers that elect ESS and receive a Consolidated Bill shall not be subject to the Bill Issuance Charge.



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Leaf No. 129  
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 Superseding Revision: 14

SERVICE CLASSIFICATION NO. 2 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (Cont'd.)**

**1. ESCO Supply Service (ESS) (Cont'd.)**

RATE: (Per Meter, Per Month)

Delivery Charges:

	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$7.27	\$7.27	\$8.41	\$9.57
Meter Ownership Charge	\$0.76	\$0.76	\$0.76	\$0.76
Meter Service Charge	\$10.37	\$10.37	\$10.37	\$10.37
Meter Data Service Charge (Meter Reading)	\$3.61	\$3.61	\$3.61	\$3.61
<b>Demand Charge</b> (All kW, per kW)	\$8.87	\$8.86	\$9.32	\$9.79
<b>Energy Charge</b> (All kWh, per kWh)	0.00261	0.00261	0.00261	0.00261
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J

Rate Adjustment Mechanism ("RAM"):

All kW, per kW See RAM Statement, as described in Rule 38

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Leaf No. 131  
 Revision: 23  
 Superseding Revision: 21

SERVICE CLASSIFICATION NO. 2 (Continued)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (Cont'd.)

**3. NYSEG Supply Service (NSS)**

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge [“NBC”]), a commodity charge for electricity supplied by NYSEG which fluctuates with the market price of electricity, and a Merchant Function Charge.

RATE: (Per Meter, Per Month)

	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$7.27	\$7.27	\$8.41	\$9.57
Meter Ownership Charge	\$0.76	\$0.76	\$0.76	\$0.76
Meter Service Charge	\$10.37	\$10.37	\$10.37	\$10.37
Meter Data Service Charge (Meter Reading)	\$3.61	\$3.61	\$3.61	\$3.61
<b>Demand Charge</b> (All kW, per kW)	\$8.87	\$8.86	\$9.32	\$9.79
<b>Energy Charge</b> (All kWh, per kWh)	0.00261	0.00261	0.00261	0.00261
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

**Transition Charge (Non-Bypassable Charge [“NBC”])**

All kWh, per kWh See Transition Charge Statement

**Commodity Service**

The charge for Electric Power Supply provided by NYSEG shall fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

**Merchant Function Charge:**

All kWh, per kWh See Merchant Function Charge Statement

**Bill Issuance Charge (per bill):**

\$0.81, as described in General Information Section 16.J.

**Rate Adjustment Mechanism (“RAM”):**

All kW, per kW See RAM Statement, as described in Rule 38

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Leaf No. 131.1  
Revision: 6  
Superseding Revision: 4

SERVICE CLASSIFICATION NO. 2 (Continued)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (Cont'd.)

**4. Hourly Pricing – Mandatory and Voluntary**

Hourly Pricing is voluntary for any customer taking service under Service Classification No. 2 except as follows:

Effective January 1, 2010, Hourly Pricing is mandatory for any customer taking service under Service Classification No. 2 with a billed demand greater than or equal to 300 kW in any two months within the 12 months beginning prior to September 1, 2009, including customers that received an economic incentive or NYPA allocation on or after January 1, 2007.

A customer taking service under Hourly Pricing shall remain subject to this provision until their monthly metered demand has been less than 300 kW for 12 consecutive months. Customers served under this provision must select ESCO Supply Service (ESS) or NYSEG Hourly Day-Ahead Market Pricing (“Hourly Pricing”) described within this Service Classification.

Customers that received an economic incentive or NYPA allocation beginning on or prior to December 31, 2006 and does not have a restriction for the Supply Service Option may opt to participate in Hourly Pricing. If such customer opts to participate in Hourly Pricing, the customer must choose the same Supply Service Option for its incentive, non-incentive and any future load.

**DELIVERY CHARGES:**

The delivery charges set forth in this Service Classification for the NSS shall apply to a customer taking service under Hourly Pricing. A customer that qualifies for the Industrial/High Load Factor Special Provision shall pay the delivery charges as set forth in Special Provision (I).

**NYSEG Hourly Day-Ahead Market Pricing Option (“Hourly Pricing”)**

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge [“NBC”]) as described above and in further detail in General Information Section 25.I.B., the Merchant Function Charge, and a commodity charge for electricity supply that fluctuates hourly with the market price of electricity including losses, unaccounted for energy, capacity, and capacity reserves, as further described herein. Electricity supply is provided by NYSEG.

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Superseding Revision: 0

SERVICE CLASSIFICATION NO. 2 (Continued)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (Cont'd.)

4. Hourly Pricing – Mandatory and Voluntary (Cont'd.)

DETERMINATION OF DEMAND:

Customers taking service under this Special Provision shall pay a demand charge calculated as described in Service Classification No. 7, Determination of Demand section.

METERING AND COMMUNICATION REQUIREMENTS:

1. Customer Responsibilities:

All customers subject to this special provision are required to have interval metering and remote meter reading capability. Such customers shall be responsible for the following:

- a. the costs of providing remote meter reading capability through dedicated telecommunications to and from the meter; and
- b. the dedicated telecommunications shall be approved by the Company, and
- c. all costs associated with the installation, operation and maintenance of the telecommunications equipment, including but not limited to, all telecommunications service bills. If the Company is unable to read the meter through a customer provided connection, and the Company has determined that the problem is not caused by the Company's equipment, the customer shall be responsible for resolution of the problem. The customer shall also be responsible for reimbursement of the Company expenses incurred for visits to the meter location to ascertain the cause of the problem, including reimbursing the Company for any expenses the Company incurs, such as, but not limited to, the cost to provide a manual meter read.

2. Company Responsibilities:

- a. Equipment shall be replaced at the Company's discretion and shall be based upon available resources and Company Schedule.
- b. In the absence of equipment failure, if the customer requests replacement of working equipment, it shall be scheduled by order of request and availability.

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SERVICE CLASSIFICATION NO. 2 (Continued)

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

**MERCHANT FUNCTION CHARGE:**

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply. Customers whose electricity is supplied by an ESCO are not charged for this service.

**MINIMUM CHARGE:**

The minimum charge for service under this Service Classification is the Customer Charge plus the Bill Issuance Charge, if applicable, as listed above, or as otherwise stated in the applicable special provisions.

The minimum charge for customers who choose to take all or part of their back-up or maintenance service under this service classification rather than under Special Provision (d) of the Company's Service Classification No. 11 is described in the "DETERMINATION OF DEMAND" section.

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

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Rule 4). See SBC Statement.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). See TSAS Statement.

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):**

The RAM shall be applied per kW to all kW delivered under this Service Classification, (as explained in this schedule, General Information Rule 38). See RAM Statement.

**COMPETITIVE METERING OPTION:**

Qualified Customers who select the Competitive Metering Option must comply with the requirements specified in P.S.C. No. 119 - Electricity and specified in General Information Section 14 of this Schedule, and shall not be charged the Meter Ownership, Meter Services, and Meter Data Service Charges.

**METER OWNED BY CUSTOMER, INSTALLED AND MAINTAINED BY THE COMPANY**

Customers electing to own their own meters, as described in Section 3.A.2 of P. S. C. No. 119 - Electricity, shall not be charged the Meter Ownership Charge. This provision is separate and distinct from Competitive Metering.

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SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS:

(a)Reserved For Future Use

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Leaf No. 136  
Revision: 11  
Superseding Revision: 9

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(b) Fluctuating Loads:

When service is rendered solely for equipment having a highly fluctuating or large instantaneous demand, such as X-rays, welders, etc., and a separate or larger transformer for such service is required, the minimum monthly charge shall not be less than 50¢ per KVA of such additional transformer capacity.

(c) Billing Duration:

Billing for service under this Service Classification shall continue for at least 11 months after the establishment of a demand in excess of 5 kW unless service is terminated for not less than one year under the terms of the "Cessation of Service" section of P.S.C. No. 119 or superseding issues thereof.

(d) Budget Billing:

Customers may, by signing an application, be billed monthly in accordance with the plan set forth in Section 4-O of P.S.C. No. 119 - Electricity or superseding issues thereof.

(e) Submetering:

Submetering may be available according to certain conditions as explained in the general information leaves of this schedule, Section 2. Submetering.

(f) Economic Incentives: Reserved for Future Use

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Leaf No. 137  
Revision: 7  
Superseding Revision: 5

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

- (f) Economic Incentives: Reserved for Future Use



PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: July 1, 2016  
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Revision: 25  
Superseding Revision: 24

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(f) Economic Incentives: (Cont'd)

(3) Economic Development Zone Incentive: (Cont'd.)

A customer taking service under this special provision shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge (Non-Bypassable Charge ["NBC"]), Commodity, Merchant Function and Bill Issuance Charges, if applicable, System Benefits Charge, Temporary State Assessment Surcharge, Revenue Decoupling Mechanism, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM) in accordance with the standard NSS, ESS, or Hourly Pricing rates for this Service Classification. Hourly Pricing customers shall also be billed the Electric Capacity Charge in accordance with the Hourly Pricing rates for this Service Classification.

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Leaf No. 140  
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Superseding Revision: 7

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(f) Economic Incentives: (Cont'd)

Reserved for Future Use

PSC No: 120 - Electricity  
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Leaf No. 141  
Revision: 10  
Superseding Revision: 8

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(f) Economic Incentives: (Cont'd)

(5) Recharge New York ("RNY") Power Program

Customers who qualify for the Recharge NY Power Program pursuant to Section 11 of the General Information Section of this Schedule, shall have such power billed in accordance with the provision therein. The customer's power requirements in excess of the RNY Power allocation shall be billed in accordance with the ESCO Supply Service rate or the NYSEG Supply Service rate of this Service Classification.

(6) Reserved for Future Use

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Leaf No. 142  
Revision: 14  
Superseding Revision: 13

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(f) Economic Incentives: (Cont'd)

(7) Reserved for Future Use

(8) Incremental Load Incentive ("ILI")

A customer taking service under this special provision shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge (Non-Bypassable Charge ["NBC"]), Commodity, and Merchant Function and Bill Issuance Charges, if applicable, System Benefits Charge, Temporary State Assessment Surcharge, Revenue Decoupling Mechanism, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM), in accordance with the standard NSS, ESS, or Hourly Pricing rates for this Service Classification. Hourly Pricing customers shall also be billed the Electric Capacity Charge in accordance with the Hourly Pricing rates for this Service Classification.

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(f) Economic Incentives: (Cont'd)

(9) Incremental Load Incentive ("ILI") (Cont'd.)

Customers transitioning from the Incubator Development Incentive (IDI) to ILI shall be phased-in as follows:

Per kWh, for all qualified kWh	Effective Date
	01/01/11
	\$0.005

(g) Complementary E.T.S. Service:

This service is available for customers with common areas pertaining to individually metered multiple dwelling units taking individually metered residential service under this Schedule and utilizing Electric Thermal Storage (E.T.S.) installations as the principal space-conditioning medium. This service shall be billed under Service Classification No. 9 of this Schedule. However, the 5 kW metered demand and 2000 kWh monthly use limitations from the "Applicable to the Use of Service For" section shall be waived, as long as the total metered demand requirements shall not exceed 25 kW, in order to allow annual complementary E.T.S. space-conditioning and other electric service in the common areas of such multiple dwellings.

(h) Time-Of-Use Service Option:

Non-residential customers who qualify for service under S.C. No. 2 may voluntarily opt for Time-of-Use service under Service Classification No. 7 (Secondary Service). A customer who chooses to transfer to Service Classification No. 7 must initially remain on that rate for a minimum of 6 months prior to becoming eligible for a one-time return to Service Classification No. 2. This Special Provision is not available to Service Classification No. 2 customers, effective December 3, 2002.

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SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(1) Industrial/High Load Factor ("I/HLF") Rate Provision:

(1) Availability:

Available to a customer's account that meets usage eligibility as defined in (2) or (3) of this section. Customers who are taking service under the Company's Economic Development Zone Incentive, New York Power Authority (NYPA) programs (Expansion Power, Replacement Power, High Load Manufacturer Power, and Preservation Power), or S.C. 14 may take service under this rate provision, only for that portion of their load served at the Company's standard tariff rate, provided that the non-discounted load meets the eligibility requirements of this special provision. Allocation of billing units (kW, kWh, rkvah) for partial load is explained in (4) of this section.

Recipients of other the Company incentive rates, applicable to their entire load, may qualify for this special provision by relinquishing eligibility under the incentive, provided that they meet the eligibility requirements of this special provision.

(2) Eligibility:

(i) Industrial Rate Provision:

Not applicable to customers in this service classification. Customers with average annual demands in excess of 500 kW, are served under S.C. No. 7.

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 Superseding Revision: 13

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(l) Industrial/High Load Factor Rate Provision (Cont'd.):

(4) Rate for Qualified High Load Factor Service

A complete description of these Supply Service Options appears previously in this Service Classification.

(a) ESCO Supply Service (ESS)

RATE: (Per Meter/Per Month)

Rates under the High Load Factor Special Provision are as follows:

Delivery Service	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$7.27	\$7.27	\$8.41	\$9.57
Meter Ownership Charge	\$0.76	\$0.76	\$0.76	\$0.76
Meter Service Charge	\$10.37	\$10.37	\$10.37	\$10.37
Meter Data Service Charge (Meter Reading)	\$3.61	\$3.61	\$3.61	\$3.61
<b>Demand Charge</b> (All kW, per kW)	\$8.56	\$8.86	\$9.32	\$9.79
<b>Energy Charge</b> (All kWh, per kWh)	0.00251	0.00261	0.00261	0.00261
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

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

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 Superseding Revision: 12

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(l) Industrial/High Load Factor Rate Provision (Cont'd.):

(4) Rate for Qualified High Load Factor Service (Cont'd.)

(c) NYSEG Supply Service (NSS)

Rates under the High Load Factor Special Provision are as follows:

	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>Delivery Charges</b>				
<b>Customer Charge</b>	\$7.27	\$7.27	\$8.41	\$9.57
Meter Ownership Charge	\$ 0.76	\$ 0.76	\$0.76	\$0.76
Meter Service Charge	\$ 10.37	\$ 10.37	\$10.37	\$10.37
Meter Data Service Charge (Meter Reading)	\$ 3.61	\$ 3.61	\$ 3.61	\$ 3.61
<b>Demand Charge</b> (All kWh, per kWh)	\$ 8.56	\$ 8.86	\$ 9.32	\$ 9.79
<b>Energy Charge</b> (All kWh, per kWh)	0.00251	0.00261	0.00261	0.00261
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt- ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh

See Transition Charge Statement

Commodity Service:

The charge for Electric Power Supply provided by the Company will fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

Merchant Function Charge:

All kWh, per kWh

See Merchant Function Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

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



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New York State Electric and Gas Corporation  
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Revision: 12  
Superseding Revision: 11

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

C) Excelsior Jobs Program (“EJP”)

Service taken under this Service Classification may be eligible for the rates and charges under the Excelsior Jobs Program. For a customer qualifying for the EJP program, such customer shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge (Non-Bypassable Charge [“NBC”]), Commodity, Merchant Function, and Bill Issuance Charges, if applicable, in accordance with the standard NSS or ESS rates for this Service Classification. All customers are also required to pay the System Benefits Charges, Temporary State Assessment Surcharge., Reliability Support Services (RSS), Revenue Adjustment Mechanism (RAM), and Reactive Charges in accordance with the standard NSS or ESS rates for this Service Classification. Qualifying load shall be exempt from the Revenue Decoupling Mechanism (RDM).

EJP customers shall be offered two supply service options and charged in accordance with their choice:

1. ESCO Supply Service
2. NYSEG Supply Service

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Leaf No. 153.1  
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Superseding Revision: 2

SERVICE CLASSIFICATION NO. 2 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

r. Solar Non-Residential Electric Service Option:

This option is for a customer qualifying for the Solar Non-Residential Generating Service Option pursuant to General Information Section 27 of this Schedule and taking service under S.C. No. 2.

s. Electric Hybrid Generating System Option:

This option is for a customer qualifying for the Electric Hybrid Generating System Option pursuant to General Information Section 24 of this Schedule and taking service under S.C. No. 2.

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Superseding Revision: 6

### SERVICE CLASSIFICATION NO. 3

#### APPLICABLE TO THE USE OF SERVICE FOR:

Primary Service for any customer with a demand of 25 kilowatts or more but less than 500 kilowatts.

#### CHARACTER OF SERVICE:

Continuous - Alternating Current, 60 Cycle;  
Primary (Distribution) Service at 2,400, 4,160, 4,800, 7,200, 8,320, 12,000, 12,470, 13,200, 34,500 (Regulated) Volts; Subtransmission Service at 34,500 or 46,000 (Both Non-Regulated) Volts; or 34,500 (Regulated) Volts for "Grandfathered Customers" only; (see Special Provisions (a));  
Single or Three Phase. (Characteristics depend upon available circuits and equipment.)

#### SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS:

Pursuant to General Information Section 25, Supply Service Options, customers served under this Service Classification shall choose from different electric rate choices offered by the Company as described below. The Company shall offer a Retail Access rate choice and Non-Retail Access rate choices.

The Retail Access choice is the ESCO Supply Service (ESS). The Non-Retail Access choices include the NYSEG Supply Service (NSS) and Hourly Pricing.

*The Company shall provide Delivery Service regardless of the customer's supply service option.*

#### **1. ESCO Supply Service (ESS)**

This Retail Access choice includes fixed charges for NYSEG delivery service and a Transition Charge (Non-Bypassable Charge ["NBC"]). Supply service shall be provided by an Energy Services Company (ESCO). Customers that elect ESS and receive a Consolidated Bill shall not be subject to the Bill Issuance Charge.

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 Revision: 15  
 Superseding Revision: 13

SERVICE CLASSIFICATION NO. 3 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**1. ESCO Supply Service (ESS) (cont'd.)**

RATE: (Per Meter, Per Month)

PRIMARY VOLTAGE	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>Delivery Charges</b>				
<b>Customer Charge</b>	\$61.43	\$61.43	\$66.46	\$71.59
Meter Ownership Charge	\$1.74	\$1.74	\$1.74	\$1.74
Meter Service Charge	\$21.54	\$21.54	\$21.54	\$21.54
Meter Data Service Charge (Meter Reading)	\$6.30	\$6.30	\$6.30	\$6.30
<b>Demand Charge</b> (All kW, per kW)	\$5.51	\$5.51	\$5.81	\$6.12
<b>Energy Charge</b> (All kWh, per kWh)	0.00262	0.00261	0.00261	0.00261
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt- ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh

See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

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Leaf No. 156  
 Revision: 14  
 Superseding Revision: 12

SERVICE CLASSIFICATION NO. 3 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**1. ESCO Supply Service (ESS) (cont'd.)**

RATE: (Per Meter, Per Month)

SUBTRANSMISSION VOLTAGE	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>Delivery Charges</b>				
<b>Customer Charge</b>	\$274.63	\$274.63	\$289.44	\$304.55
Meter Ownership Charge	\$1.65	1.65	\$1.65	1.65
Meter Service Charge	\$22.31	\$22.31	\$22.31	\$22.31
Meter Data Service Charge (Meter Reading)	\$4.55	\$4.55	\$4.55	\$4.55
<b>Demand Charge</b> (All kW, per kW)	\$4.10	\$4.10	\$4.30	\$4.50
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh

See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

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SERVICE CLASSIFICATION NO. 3 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**2. Reserved for Future Use**

**3. NYSEG Supply Service (NSS)**

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]), a commodity charge for electricity supplied by NYSEG which fluctuates with the market price of electricity, and a Merchant Function Charge.

RATE: (Per Meter, Per Month)

PRIMARY VOLTAGE	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>Delivery Charges</b>				
<b>Customer Charge</b>	\$61.43	\$61.43	\$66.46	\$71.59
Meter Ownership Charge	\$1.74	\$1.74	\$1.74	\$1.74
Meter Service Charge	\$21.54	\$21.54	\$21.54	\$21.54
Meter Data Service Charge (Meter Reading)	\$6.30	\$6.30	\$6.30	\$6.30
<b>Demand Charge</b> (All kW, per kW)	\$5.51	\$5.51	\$5.81	\$6.12
<b>Energy Charge</b> (All kWh, per kWh)	0.00262	0.00261	0.00261	0.00261
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt- ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"])

All kWh, per kWh

See Transition Charge Statement

Commodity Service:

The charge for Electric Power Supply provided by NYSEG shall fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

Merchant Function Charge:

All kWh, per kWh

See Merchant Function Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

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

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 Revision: 23  
 Superseding Revision: 21

SERVICE CLASSIFICATION NO. 3 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**3. NYSEG Supply Service (NSS)**

RATE: (Per Meter, Per Month)

SUBTRANSMISSION VOLTAGE	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>Delivery Charges</b>				
<b>Customer Charge</b>	\$274.63	\$274.63	\$289.44	\$304.55
Meter Ownership Charge	\$1.65	1.65	\$1.65	1.65
Meter Service Charge	\$22.31	\$22.31	\$22.31	\$22.31
Meter Data Service Charge (Meter Reading)	\$4.55	\$4.55	\$4.55	\$4.55
<b>Demand Charge</b> (All kW, per kW)	\$4.10	\$4.10	\$4.30	\$4.50
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge [“NBC”])

All kWh, per kWh See Transition Charge Statement

Commodity Service

The charge for Electric Power Supply provided by NYSEG shall fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

Merchant Function Charge

All kWh, per kWh : See Merchant Function Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism (“RAM”):

All kW, per kW See RAM Statement, as described in Rule 38

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SERVICE CLASSIFICATION NO. 3 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**4. Hourly Pricing – Mandatory and Voluntary**

Hourly Pricing is voluntary for any customer taking service under Service Classification No. 3 except as follows:

Effective January 1, 2010, Hourly Pricing is mandatory for any customer taking service under Service Classification No. 3 with a billed demand greater than or equal to 300 kW in any two months within the 12 months prior to September 1, 2009, including customers that received an economic incentive or NYPA allocation on or after January 1, 2007.

A customer taking service under Hourly Pricing shall remain subject to this provision until their monthly metered demand has been less than 300 kW for 12 consecutive months. Customers served under this provision must select the ESCO Supply Service (ESS) or NYSEG Hourly Day-Ahead Market Pricing (“Hourly Pricing”) described within this Service Classification.

Customers that received an economic incentive or NYPA allocation beginning on or prior to December 31, 2006 and does not have a restriction for the Supply Service Option may opt to participate in Hourly Pricing. If such customer opts to participate in Hourly Pricing, the customer must choose the same Supply Service Option for its incentive, non-incentive and any future load.

**DELIVERY CHARGES:**

The delivery charges set forth in this Service Classification for the NSS shall apply to a customer taking service under Hourly Pricing. A customer that qualifies for the Industrial/High Load Factor Special Provision shall pay the delivery charges as set forth in Special Provision (h).

**NYSEG Hourly Day-Ahead Market Pricing Option (“Hourly Pricing”)**

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge [“NBC”]) as described above and in further detail in General Information Section 25.I.B., the Merchant Function Charge, and a commodity charge for electricity supply that fluctuates hourly with the market price of electricity including losses, unaccounted for energy, capacity, and capacity reserves, as further described herein. Electricity supply is provided by NYSEG.



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SERVICE CLASSIFICATION NO. 3 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

4. Hourly Pricing – Mandatory and Voluntary (Cont'd.)

**DETERMINATION OF DEMAND:**

Customers taking service under this Special Provision shall pay a demand charge calculated as described in Service Classification No. 7, Determination of Demand section.

**METERING AND COMMUNICATION REQUIREMENTS:**

1. Customer Responsibilities:

All customers subject to this special provision are required to have interval metering and remote meter reading capability. Such customers shall be responsible for the following:

- a. the costs of providing remote meter reading capability through dedicated telecommunications to and from the meter; and
- b. the dedicated telecommunications shall be approved by the Company, and
- c. all costs associated with the installation, operation and maintenance of the telecommunications equipment, including but not limited to, all telecommunications service bills. If the Company is unable to read the meter through a customer provided connection, and the Company has determined that the problem is not caused by the Company's equipment, the customer shall be responsible for resolution of the problem. The customer shall also be responsible for reimbursement of the Company expenses incurred for visits to the meter location to ascertain the cause of the problem, including reimbursing the Company for any expenses the Company incurs, such as, but not limited to, the cost to provide a manual meter read.

2. Company Responsibilities:

- a. Equipment shall be replaced at the Company's discretion and shall be based upon available resources and Company Schedule.
- b. In the absence of equipment failure, if the customer requests replacement of working equipment, it shall be scheduled by order of request and availability.

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SERVICE CLASSIFICATION NO. 3 (Continued)

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

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

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Rule 4). See SBC Statement.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). See TSAS Statement.

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):**

The RAM shall be applied per kW to kW delivered under this Service Classification, (as explained in this schedule, General Information Rule 38). See RAM Statement.

**COMPETITIVE METERING OPTION:**

Qualified Customers who select the Competitive Metering Option must comply with the requirements specified in P.S.C. No. 119 - Electricity and specified in General Information Section 14 of this Schedule, and shall not be charged the Meter Ownership, Meter Services, and Meter Data Service Charges.

**METER OWNED BY CUSTOMER, INSTALLED AND MAINTAINED BY THE COMPANY**

Customers electing to own their own meters, as described in Section 3.A.2 of P.S.C. No. 119 - Electricity, shall not be charged the Meter Ownership Charge. This provision is separate and distinct from Competitive Metering.

**INCREASE IN RATES AND CHARGES:**

The rates and charges under this Service Classification, including minimum charges, shall 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.

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Superseding Revision: 3

#### SERVICE CLASSIFICATION NO. 3 (Continued)

##### DETERMINATION OF DEMAND:

The billing demand shall be the metered demand, which is the highest average kilowatts used in a 15-minute interval during the month.

For subtransmission customers also served by the Company under Special Provision F of Service Classification No. 10, the measured demand of the output provided by the customer's generating facility shall be added to the measured demand as determined by the Company's meter for service under this Classification.

Customers who choose to take all or part of their back-up or maintenance service under this service classification rather than under Special Provision (d) of the Company's Service Classification No. 11 shall pay a minimum demand charge as described in the Company's Service Classification No. 11. Customers shall pay a minimum demand charge related to generation, ancillary, and transmission costs. The minimum demand charge is based on a rate per kW of the contract demand and is accumulated over a 12-month period. The accumulated contract demand charge component shall be compared to the accumulated demand charge in this service classification. If the contract demand charge is greater than the demand charge in this service classification, then the customer shall only pay the contract demand charge in that month. If it is less than the demand charge in this service classification, then the customer shall pay that difference in that month.

##### DETERMINATION OF REACTIVE KILOVOLT-AMPERE HOURS:

Whenever the customer's metered demand is 200 kW or more for two consecutive billing periods, the reactive kilovolt-ampere hours shall thereafter be metered. The billing reactive kilovolt-ampere hours shall be the reactive kilovolt-ampere hours in excess of one-third of the metered kWh.

##### Effective 05/01/2010:

Whenever the customer's metered demand is 200 kW or more for two billing periods in any two of the previous 12 months, the reactive kilovolt-ampere hours shall thereafter be metered. The billing reactive kilovolt-ampere hours shall be the reactive kilovolt-ampere hours in excess of  $\frac{1}{4}$  of the metered kWh.

##### TERMS OF PAYMENT:

All bills are rendered at the above "unit prices" 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 of 1½% per month shall be billed on all amounts not paid by that date. (Further details in Section 4 of P.S.C. No. 119 - Electricity or superseding issues thereof.)

##### TERM:

One year and thereafter until terminated by 30 days' written notice. However, the Company may, with the permission of the Public Service Commission, require the customer to agree to take service at rates from time to time effective for a longer term dependent upon the amount of investment required or other unusual conditions incident to the service.

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

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SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd)

- (d) Economic Incentives:
  - (1) Reserved for Future Use
  - (2) Reserved for Future Use

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SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) Economic Incentives: (Cont'd)

(3) Economic Development Zone Incentive:

Customers who qualify, under the Economic Development Zone Incentive (EDZI) in Section 9 of the General Information section of this Schedule, to receive an incentive for load qualified on or after July 1, 2003 may select one of the following rate options, as specified in this Service Classification and Section 25, Supply Service Options, for all of their load: 1) NYSEG Supply Service (NSS), 2) ESCO Supply Service (ESS), or 3) Hourly Pricing.

Such customers shall have their service bills reduced, for a term of 10 years following initial zone certification, beginning with the eligibility date on the zone certificate (unless the customer's initial zone certification(s) becomes invalid.

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) Economic Incentives: (Cont'd)

(3) Economic Development Zone Incentive: (Cont'd.)

All customers shall be required to pay the Commodity, Merchant Function and Bill Issuance Charges, if applicable, System Benefits Charge, Temporary State Assessment Surcharge, Revenue Decoupling Mechanism, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM), in accordance with the standard NSS, ESS, or Hourly Pricing rates for this Service Classification. Hourly Pricing customers shall also be billed the Electric Capacity Charge in accordance with the Hourly Pricing rates for this Service Classification.

Such customers shall be exempt from paying the Transition Charge (Non-Bypassable Charge ["NBC"]). For certain adjustments approved by the Commission, a separate credit shall be calculated and placed on the customer's bill. If it is determined that a bill calculated with the incentive exceeds a bill calculated under the otherwise applicable standard service classification rates, the customer shall pay the lower of the two bills.

The qualified load receiving the incentive shall be billed at the following applicable delivery rates:

PRIMARY VOLTAGE	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Delivery Charges</b>			
Customer Charge	\$61.43	\$66.46	\$71.59
Meter Ownership Charge	\$1.74	\$1.74	\$1.74
Meter Service Charge	\$21.54	\$21.54	\$21.54
Meter Data Service Charge (Meter Reading)	\$6.30	\$6.30	\$6.30
<b>Demand Charge</b> (All kW, per kW)	\$5.51	\$5.81	\$6.12
<b>Energy Charge</b> (All kWh, per kWh)	0.00262	0.00261	0.00261
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt- ampere hour	0.00078	0.00078	0.00078

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SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) Economic Incentives: (Cont'd)

(3) Economic Development Zone Incentive: (Cont'd.)

All customers receiving Subtransmission Voltage service shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge (Non-Bypassable Charge ["NBC"]), Commodity, and Merchant Function and Bill Issuance Charges, if applicable, System Benefits Charge, Temporary State Assessment Surcharge, Revenue Decoupling Mechanism, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM), in accordance with the standard NSS, ESS, or Hourly Pricing rates for this Service Classification.

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Superseding Revision: 11

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) Economic Incentives: (Cont'd)

(4) Reserved for Future Use

(5) Recharge New York ("RNY") Power Program

Customers who qualify for the Recharge NY Power Program pursuant to Section 11 of the General Information Section of this Schedule, shall have such power billed in accordance with the provision therein. The customer's power requirements in excess of the RNY Power allocation shall be billed in accordance with the ESCO Supply Service rate or the NYSEG Supply Service rate of this Service Classification applicable to the customer's voltage level.



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Superseding Revision: 7

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) Economic Incentives: (Cont'd)

- (6) Reserved for Future Use
- (7) Reserved for Future Use

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SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) Economic Incentives: (Cont'd)

(8) Incremental Load Incentive ("IL"):

Customers who qualify under the Incremental Load Incentive (ILI) in Section 19 of the General Information section may select one of the following rate options, as specified in this Service Classification and Section 25, Supply Service Options, for all of their load: 1) NYSEG Supply Service (NSS), 2) ESCO Supply Service (ESS), or 3) Hourly Pricing.

Such customers shall receive the incentive for a term of 60 months.

All customers shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge (Non-Bypassable Charge ["NBC"]), Commodity, and Merchant Function and Bill Issuance Charges, if applicable, System Benefits Charge, Temporary State Assessment Surcharge, Revenue Decoupling Mechanism, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM), if applicable, in accordance with the standard NSS, ESS, or Hourly Pricing rates for this Service Classification.

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Superseding Revision: 3

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(e) Controlled Load Time-of-Use Service Option:

Customers who have a total connected load of at least 25 kW, with at least 12.5 kW of that load being newly installed controlled equipment, may choose to take their entire service under Service Classification No. 7 with Time-of-Use metering. Controlled Load equipment shall include, but not be limited to, Electric Thermal Storage equipment (E.T.S.), Air Conditioning equipment, Water Heating or other Heating/Cooling installations which are designed to operate advantageously during off-peak hours as defined in Service Classification No. 7.

(f) Reserved for Future Use

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(h) Industrial/High Load Factor Rate Provision: (Cont'd.)

(3) Rate Qualification Review:

Each account shall be reviewed annually for continued qualification, based on the load factor during the previous year. Such review shall occur 12 months after the initiation of this rate provision, and shall be repeated each year thereafter. To maintain qualification for this rate, a customer account's annual load factor must be 68.0% or greater.

(4) Rate for Qualified High Load Factor Service:

A complete description of these Supply Service Options appears previously in this Service Classification.

(a) ESCO Supply Service (ESS)

Rates under the High Load Factor Special Provision are as follows:

PRIMARY VOLTAGE	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>Delivery Charges</b>				
<b>Customer Charge</b>	\$61.43	\$61.43	\$66.46	\$71.59
Meter Ownership Charge	\$1.74	\$1.74	\$1.74	\$1.74
Meter Service Charge	\$21.54	\$21.54	\$21.54	\$21.54
Meter Data Service Charge (Meter Reading)	\$6.30	\$6.30	\$6.30	\$6.30
<b>Demand Charge</b> (All kW, per kW)	\$5.36	\$5.51	\$5.81	\$6.12
<b>Energy Charge</b> (All kWh, per kWh)	0.00254	0.00261	0.00261	0.00261
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW See RAM Statement, as described in Rule 38

SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(h) Industrial/High Load Factor Rate Provision: (Cont'd.)

(4) Rate for Qualified High Load Factor Service: (Cont'd.)

(c) NYSEG Supply Service (NSS)

Rates under the High Load Factor Special Provision are as follows:

PRIMARY VOLTAGE	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>Delivery Charges</b>				
<b>Customer Charge</b>	\$61.43	\$61.43	\$66.46	\$71.59
Meter Ownership Charge	\$1.74	\$1.74	\$1.74	\$1.74
Meter Service Charge	\$21.54	\$21.54	\$21.54	\$21.54
Meter Data Service Charge (Meter Reading)	\$6.30	\$6.30	\$6.30	\$6.30
<b>Demand Charge</b> (All kW, per kW)	\$5.36	\$5.51	\$5.81	\$6.12
<b>Energy Charge</b> (All kWh, per kWh)	0.00254	0.00261	.00261	0.00261
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"])

All kWh, per kWh

See Transition Charge Statement

Commodity Service:

The charge for Electric Power Supply provided by the Company will fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

Merchant Function Charge

All kWh, per kWh

See Merchant Function Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

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SERVICE CLASSIFICATION NO. 3 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

q. Excelsior Jobs Program (“EJP”)

Service taken under this Service Classification may be eligible for the rates and charges under the Excelsior Jobs Program. Any customer who meets the qualifications set forth under General Information Section 32 shall pay for service at the following rate:

RATE: (per month)

For primary voltage customers qualifying for the EJP, the Transition Charge (Non-Bypassable Charge [“NBC”]) and the Revenue Decoupling Mechanism (RDM) Adjustment do not apply. All customers shall be required to pay the Commodity, Merchant Function and Bill Issuance Charges, if applicable, System Benefits Charge, Temporary State Assessment Surcharge, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM), in accordance with the standard NSS, ESS, or Hourly Pricing rates for this Service Classification. Hourly Pricing customers shall also be billed the Electric Capacity Charge in accordance with the Hourly Pricing rates for this Service Classification. If it is determined that a bill calculated with the incentive exceeds a bill calculated under the otherwise applicable standard service classification rates, the customer shall pay the lower of the two bills.

PRIMARY VOLTAGE	Effective Date		
	07/01/16	05/01/17	05/01/18
Delivery Charges			
Customer Charge	\$ 61.43	\$ 66.46	\$ 71.59
Meter Ownership Charge	\$1.74	\$1.74	\$1.74
Meter Service Charge	\$21.54	\$21.54	\$21.54
Meter Data Service Charge (Meter Reading)	\$6.30	\$6.30	\$6.30
Demand Charge (All kW, per kW)	\$5.51	\$5.81	\$6.12
Energy Charge (All kWh, per kWh)	0.00262	0.00261	0.00261
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078

Effective 9/01/12:

Subtransmission voltage customers shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge, Commodity, and Merchant Function and Bill Issuance Charges, if applicable, System Benefits Charge, Temporary State Assessment Surcharge, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM), and in accordance with the standard NSS, ESS, or Hourly Pricing rates for this Service Classification. Qualifying load shall be exempt from the Revenue Decoupling Mechanism (RDM).

EJP customers shall be offered two supply service options and charged in accordance with their choice:

1. ESCO Supply Service
2. NYSEG Supply Service

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

PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
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SERVICE CLASSIFICATION NO. 5 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

*The Company shall provide Delivery Service regardless of the customer's Supply Service Option.*

**1. ESCO Supply Service (ESS)**

This Retail Access choice includes fixed charges for NYSEG delivery service and a Transition Charge (Non-Bypassable Charge ["NBC"]).

kWh use shall be determined for the customer's billing period based on the monthly kWh for each type of luminaire and lumen rating as set forth in this Service Classification.

Delivery Service:

Delivery Charges	Effective Date		
	07/01/16	05/01/17	05/01/18
Energy Charge (All kWh, per kWh)	0.02724	0.02854	0.02987
Transition Charge (All kWh, per kWh)	See Transition Charge Statement		

Bill Issuance Charge (per bill): \$0.81, as described in General Information Section 16.J. and applicable to those customers where charges for this service classification are the only charges that appear on the customer's bill.

RATE: (Per Month)

Lamp Charge: (Area Lights) Available only for Mercury Vapor Safeguard Luminaires served under Special Provision A below, and in service prior to effective date of this leaf, which are converted to HPS by use of special lamping.

Lamp Style & Size	Effective Date		
	7/01/16	05/01/17	05/01/18
<b>Safeguard Luminaires (Post-2/1/88)</b>			
14,500 Nominal Lumen 150 Watt H.P.S. (replacing 7,000 L. 175 Watt M.V.)	\$6.64	\$6.95	\$7.28
43,000 Nominal Lumen 400 Watt H.P.S. (replacing 17,200 L. 400 Watt M.V.)	\$9.74	\$10.21	\$10.68
123,000 Nominal Lumen 940 Watt H.P.S. (replacing 48,000 L. 1,000 Watt M.V.)	\$8.07	\$8.46	\$8.85
<b>Lamp Charge: (Area Lights)</b>			
3,300 Nominal Lumen (50 Watt) H.P.S.* (PACKLITE)	\$3.61	\$3.78	\$3.96
5,200 Nominal Lumen (70 Watt) H.P.S.* (PACKLITE)	\$3.55	\$3.72	\$3.90
8,500 Nominal Lumen (100 Watt) H.P.S.*	\$3.52	\$3.69	\$3.86
3,200 Nominal Lumen (100 Watt) Mercury (PACKLITE)*	\$3.41	\$3.57	\$3.74
5,200 Nominal Lumen (70 Watt) H.P.S. Power Bracket	\$6.80	\$7.12	\$7.46
8,500 Nominal Lumen (100 Watt) H.P.S. Power Bracket	\$7.40	\$7.75	\$8.11
14,400 Nominal Lumen (150 Watt) H.P.S.	\$12.20	\$12.79	\$13.38
24,700 Nominal Lumen (250 Watt) H.P.S.	\$11.96	\$12.54	\$13.12
45,000 Nominal Lumen (400 Watt) H.P.S.	\$11.69	\$12.25	\$12.82
126,000 Nominal Lumen (1,000 Watt) H.P.S.	\$10.91	\$11.43	\$11.96
10,500 Nominal Lumen (175 Watt) Metal Halide Power Bracket	\$5.03	\$5.27	\$5.52
16,000 Nominal Lumen (250 Watt) Metal Halide	\$12.97	\$13.59	\$14.22
28,000 Nominal Lumen (400 Watt) Metal Halide	\$12.80	\$13.42	\$14.04

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

SERVICE CLASSIFICATION NO. 5 (Continued)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)

1. ESCO Supply Service (ESS) (Cont'd.)

RATE: (Per Month) (Continued)

	Monthly Unit Rate		
	Effective Date		
Lamp Style & Size	07/01/16	05/01/17	05/01/18
<b>Lamp Charge: (Flood Lights)**</b>			
14,400 Nominal Lumen (150 Watt) H.P.S.	\$13.01	\$13.63	\$14.27
24,700 Nominal Lumen (250 Watt) H.P.S.	\$12.79	\$13.40	\$14.03
45,000 Nominal Lumen (400 Watt) H.P.S.	\$12.56	\$13.16	\$13.78
126,000 Nominal Lumen (1,000 Watt) H.P.S.	\$13.99	\$14.66	\$15.34
16,000 Nominal Lumen (250 Watt) Metal Halide	\$12.13	\$12.71	\$13.30
28,000 Nominal Lumen (400 Watt) Metal Halide	\$13.36	\$14.00	\$14.65
88,000 Nominal Lumen (1,000 Watt) Metal Halide	\$13.94	\$14.60	\$15.28
<b>Lamp Charge: ("Shoebox" Luminaire)</b>			
14,400 Nominal Lumen (150 Watt) H.P.S.	\$13.74	\$14.40	\$15.07
24,700 Nominal Lumen (250 Watt) H.P.S.	\$16.21	\$16.99	\$17.78
45,000 Nominal Lumen (400 Watt) H.P.S.	\$17.19	\$18.02	\$18.86
16,000 Nominal Lumen (250 Watt) Metal Halide	\$12.99	\$13.61	\$14.24
28,000 Nominal Lumen (400 Watt) Metal Halide	\$12.81	\$13.43	\$14.05
88,000 Nominal Lumen (1,000 Watt) Metal Halide	\$18.45	\$19.33	\$20.23
<b>Lamp Charge: (Post Tops)</b>			
3,300 Nominal Lumen (50 Watt) H.P.S.*	\$9.99	\$10.47	\$10.96
5,200 Nominal Lumen (70 Watt) H.P.S.	\$9.99	\$10.47	\$10.96
8,500 Nominal Lumen (100 Watt) H.P.S.	\$9.97	\$10.45	\$10.93
<b>High Pressure Sodium Cobra: (non-residential only)</b>			
5,200 Nominal Lumen (70 Watt) H.P.S.	\$7.43	\$7.79	\$8.15
8,500 Nominal Lumen (100 Watt) H.P.S.	\$7.43	\$7.79	\$8.15
Brackets - standard (up to 16')	\$0.00	\$0.00	\$0.00
Brackets -16' and over	\$2.44	\$2.56	\$2.68
Additional Wood Pole Installed for Lamp	\$12.49	\$13.08	\$13.69
Wire Service (Overhead) (Per circuit foot of extension)	\$0.03	\$0.04	\$0.04
18' Fiberglass Pole - Direct Embedded	\$12.89	\$13.51	\$14.14
20' Fiberglass Pole - Pedestal Mount	\$44.76	\$46.90	\$49.09
20' Metal Pole - Pedestal Mount	\$44.76	\$46.90	\$49.09
30' Metal Pole - Pedestal Mount	\$44.76	\$46.90	\$49.09
30' Fiberglass Pole - Pedestal Mount	\$44.76	\$46.90	\$49.09
30' Fiberglass Pole - Direct Embedded	\$19.60	\$20.54	\$21.50
Screw Base for Pedestal Mounted Pole - Light Duty	\$13.63	\$14.28	\$14.95
Screw Base for Pedestal Mounted Pole - Heavy Duty	\$17.39	\$18.22	\$19.07

H.P.S. - High Pressure Sodium

PACKLITE/Power Bracket - for pole mount only.

\*Luminaires are no longer available for new installations. Upon failure and fulfillment of contract, lights will not be replaced in kind. Customer may select an alternative luminaire.

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

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



PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
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Leaf No. 193.4  
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 Superseding Revision: 11

SERVICE CLASSIFICATION NO. 5 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**3. NYSEG Supply Service (NSS)**

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]), a fluctuating commodity charge for electricity supplied by the Company, and a Merchant Function Charge.

kWh use shall be determined for the customer's billing period based on the monthly kWh for each type of luminaire and lumen rating as set forth in this Service Classification.

RATE: (Per Month)

<b>Delivery Charges</b>	Effective Date		
	07/01/16	05/01/17	05/01/18
Energy Charge (All kWh, per kWh)	0.02724	0.02854	0.02987

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Commodity Service:

The charge for Electric Power Supply provided by the Company shall fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

Merchant Function Charge:

All kWh, per kWh See Merchant Function Charge Statement

Bill Issuance Charge (per bill): \$0.81, as described in General Information Section 16.J. and applicable to those customers where charges for this service classification are the only charges that appear on the customer's bill.

Rate Adjustment Mechanism ("RAM"):

All kWh, per kWh See RAM Statement, as described in Rule 38

<b>Lamp Style &amp; Size</b>	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Safeguard Luminaires (Post-2/1/88)</b>			
14,500 Nominal Lumen 150 Watt H.P.S. (replacing 7,000 L. 175 Watt M.V.)	\$6.64	\$6.95	\$7.28
43,000 Nominal Lumen 400 Watt H.P.S. (replacing 17,200 L. 400 Watt M.V.)	\$9.74	\$10.21	\$10.68
123,000 Nominal Lumen 940 Watt H.P.S. (replacing 48,000 L. 1,000 Watt M.V.)	\$8.07	\$8.46	\$8.85

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

PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
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 Revision: 15  
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SERVICE CLASSIFICATION NO. 5 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**3. NYSEG Supply Service (NSS) (Cont'd.)**

RATE: (Per Month)

	Monthly Unit Rate		
	Effective Date		
<b>Lamp Style &amp; Size</b>	07/01/16	05/01/17	05/01/18
<b>Lamp Charge: (Area Lights)</b>			
3,300 Nominal Lumen (50 Watt) H.P.S.* (PACKLITE)	\$3.61	\$3.78	\$3.96
5,200 Nominal Lumen (70 Watt) H.P.S.* (PACKLITE)	\$3.55	\$3.72	\$3.90
8,500 Nominal Lumen (100 Watt) H.P.S.*	\$3.52	\$3.69	\$3.86
3,200 Nominal Lumen (100 Watt) Mercury (PACKLITE)*	\$3.41	\$3.57	\$3.74
5,200 Nominal Lumen (70 Watt) H.P.S. Power Bracket	\$6.80	\$7.12	\$7.46
8,500 Nominal Lumen (100 Watt) H.P.S. Power Bracket	\$7.40	\$7.75	\$8.11
14,400 Nominal Lumen (150 Watt) H.P.S.	\$12.20	\$12.79	\$13.38
24,700 Nominal Lumen (250 Watt) H.P.S.	\$11.96	\$12.54	\$13.12
45,000 Nominal Lumen (400 Watt) H.P.S.	\$11.69	\$12.25	\$12.82
126,000 Nominal Lumen (1,000 Watt) H.P.S.	\$10.91	\$11.43	\$11.96
10,500 Nominal Lumen (175 Watt) Metal Halide Power Bracket	\$5.03	\$5.27	\$5.52
16,000 Nominal Lumen (250 Watt) Metal Halide	\$12.97	\$13.59	\$14.22
28,000 Nominal Lumen (400 Watt) Metal Halide	\$12.80	\$13.42	\$14.04
<b>Lamp Charge: (Flood Lights)**</b>			
14,400 Nominal Lumen (150 Watt) H.P.S.	\$13.01	\$13.63	\$14.27
24,700 Nominal Lumen (250 Watt) H.P.S.	\$12.79	\$13.40	\$14.03
45,000 Nominal Lumen (400 Watt) H.P.S.	\$12.56	\$13.16	\$13.78
126,000 Nominal Lumen (1,000 Watt) H.P.S.	\$13.99	\$14.66	\$15.34
16,000 Nominal Lumen (250 Watt) Metal Halide	\$12.13	\$12.71	\$13.30
28,000 Nominal Lumen (400 Watt) Metal Halide	\$13.36	\$14.00	\$14.65
88,000 Nominal Lumen (1,000 Watt) Metal Halide	\$13.94	\$14.60	\$15.28
<b>Lamp Charge: (“Shoebbox” Luminaire)</b>			
14,400 Nominal Lumen (150 Watt) H.P.S.	\$13.74	\$14.40	\$15.07
24,700 Nominal Lumen (250 Watt) H.P.S.	\$16.21	\$16.99	\$17.78
45,000 Nominal Lumen (400 Watt) H.P.S.	\$17.19	\$18.02	\$18.86
16,000 Nominal Lumen (250 Watt) Metal Halide	\$12.99	\$13.61	\$14.24
28,000 Nominal Lumen (400 Watt) Metal Halide	\$12.81	\$13.43	\$14.05
88,000 Nominal Lumen (1,000 Watt) Metal Halide	\$18.45	\$19.33	\$20.23
<b>High Pressure Sodium Cobra: (non-residential only)</b>			
5,200 Nominal Lumen (70 Watt) H.P.S.	\$7.43	\$7.79	\$8.15
8,500 Nominal Lumen (100 Watt) H.P.S.	\$7.43	\$7.79	\$8.15

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

PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
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SERVICE CLASSIFICATION NO. 5 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**3. NYSEG Supply Service (NSS) (Cont'd.)**

	Monthly Unit Rate		
	Effective Date		
<b>Lamp Style &amp; Size</b>	07/01/16	05/01/17	05/01/18
<b>Lamp Charge: (Post Tops)</b>			
3,300 Nominal Lumen (50 Watt) H.P.S.*	\$9.99	\$10.47	\$10.96
5,200 Nominal Lumen (70 Watt) H.P.S.	\$9.99	\$10.47	\$10.96
8,500 Nominal Lumen (100 Watt) H.P.S.	\$9.97	\$10.45	\$10.93
Brackets - standard (up to 16')	\$0.00	\$0.00	\$0.00
Brackets - 16' and over	\$2.44	\$2.56	\$2.68
Additional Wood Pole Installed for Lamp	\$12.49	\$13.08	\$13.69
Wire Service (Overhead) (Per circuit foot of extension)	\$0.03	\$0.04	\$0.04
18' Fiberglass Pole - Direct Embedded	\$12.89	\$13.51	\$14.14
20' Fiberglass Pole - Pedestal Mount	\$44.76	\$46.90	\$49.09
20' Metal Pole - Pedestal Mount	\$44.76	\$46.90	\$49.09
30' Metal Pole - Pedestal Mount	\$44.76	\$46.90	\$49.09
30' Fiberglass Pole - Pedestal Mount	\$44.76	\$46.90	\$49.09
30' Fiberglass Pole - Direct Embedded	\$19.60	\$20.54	\$21.50
Screw Base for Pedestal Mounted Pole - Light Duty	\$13.63	\$14.28	\$14.95
Screw Base for Pedestal Mounted Pole - Heavy Duty	\$17.39	\$18.22	\$19.07

H.P.S. - High Pressure Sodium  
 PACKLITE/Power Bracket - for pole mount only.

\*Luminaires are no longer available for new installations. Upon failure and fulfillment of contract, lights will not be replaced in kind. Customer may select an alternative luminaire.

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

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Leaf No. 197  
Revision: 27  
Superseding Revision: 26

SERVICE CLASSIFICATION NO. 5 (Continued)

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

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Rule 4). See SBC Statement.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). See TSAS Statement.

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):**

The RAM shall be applied per kWh to all kWh delivered under this Service Classification, (as explained in this schedule, General Information Rule 38). See RAM Statement.

**INCREASE IN RATES AND CHARGES:**

The rates and charges under this Service Classification, including minimum charges, shall 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.

**MINIMUM CHARGES:**

Minimum monthly charge shall be the Monthly Luminaire Charge computed under the above rate plus the Bill Issuance Charge, if applicable.

In the event service is terminated at the customer's request, prior to completion of the initial term for that customer as specified below, the customer shall be obligated to pay the minimum monthly charge for each of the remaining months of the unexpired initial term plus any balance due on service rendered to the time of termination.

**ALLOWANCE FOR LAMP OUTAGES:**

If a lamp is out for more than three business days (Monday through Friday) after a notice of such outage has been given the Company by the customer, a pro rata adjustment of the lamp charge shall be allowed.

**TERMS OF PAYMENT:**

All bills are rendered at the above "unit prices" 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 of 1½% per month shall be billed on all amounts not paid by that date. (Further details in Section 4 of P.S.C. No. 119 – Electricity or superseding issues thereof.)

**TERM:**

- (a) Luminaire-only-service supplied overhead, shall be 24 months and thereafter until terminated by five-days' notice, for an initial applicant and customer for such luminaire.
- (b) All other luminaire service with additional facilities (other than just bracket) shall be 60 months and thereafter until terminated by five-days' notice, for an initial applicant and customer for such luminaire service with additional facilities.
- (c) For a subsequent applicant and customer, where luminaire, and additional facilities if applicable, have been previously installed, one month, and thereafter until terminated by five days' notice.

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

PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
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 Issued in compliance with Order in Case 15-E-0283, dated June 15, 2016

Leaf No. 198  
 Revision: 22  
 Superseding Revision: 20

SERVICE CLASSIFICATION NO. 5 (Continued)

SPECIAL PROVISIONS:

A complete description of these Supply Service Options appears previously in this Service Classification. All customers shall be required to pay the Transition Charge (Non-Bypassable Charge [“NBC”]) and Commodity, Merchant Function and Bill Issuance Charges if applicable, System Benefits Charge, Temporary State Assessment Surcharge, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM), in accordance with the standard ESS or NSS rates for this Service Classification.

(a) (Area Lights-Mercury Vapor) Service under this provision shall no longer be available for new installations subsequent to February 1, 1988. Upon failure of the luminaire, luminaires shall not be replaced in kind. Customer may select an alternative luminaire.

(i) ESCO Supply Service (ESS)

Delivery Charges	Effective Date		
	07/01/16	05/01/17	05/01/18
Energy Charge (All kWh, per kWh)	0.02724	0.02854	0.02987
	Monthly Unit Rate		
	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Mercury Vapor (M.V.) Safeguard Luminaires</b> (special provision for installations prior to 2/1/88)			
7,000 Lumen	\$10.49	\$10.99	\$11.51
17,200 Lumen	\$13.55	\$14.20	\$14.87
48,000 Lumen	\$14.57	\$15.27	\$15.98
Additional Facilities:			
Additional Wood Pole	\$4.73	\$4.96	\$5.19
Wire Service (per Circuit foot)	\$0.01	\$.01	\$.01

(ii) Reserved for Future use

PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
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SERVICE CLASSIFICATION NO. 5 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(iii) NYSEG Supply Service (NSS)

Delivery Charges	Effective Date		
	07/01/16	05/01/17	05/01/18
Energy Charge (All kWh, per kWh)	\$0.02724	\$0.02854	\$0.02987

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Mercury Vapor (M.V.) Safeguard Luminaires</b> (special provision for installations prior to 2/1/88)			
7,000 Lumen	\$10.49	\$10.99	\$11.51
17,200 Lumen	\$13.55	\$14.20	\$14.87
48,000 Lumen	\$14.57	\$15.27	\$15.98
Additional Facilities:			
Additional Wood Pole	\$4.73	\$4.96	\$5.19
Wire Service (per Circuit foot)	\$0.01	\$0.01	\$0.01

- (b) Lamp replacement and repairs shall be made only during regular working hours, Monday through Friday.
- (c) Any customer-owned pole on which a lamp is to be mounted or to which wire is to be attached must be approved by the Company. If a customer-owned pole on which such equipment is mounted deteriorates, is damaged, or has its use impaired so that it no longer is approved by the Corporation, service may be terminated.

PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
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SERVICE CLASSIFICATION NO. 5 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(k) Contributory Provisions for New Residential and New Commercial or Industrial Developments: (Cont'd)

(i) ESCO Supply Service (ESS)

Delivery Charges	Effective Date		
	07/01/16	05/01/17	05/01/18
Energy Charge (All kWh, per kWh)	0.02724	0.02854	0.02987

	Monthly Operation and Maintenance Charges		
	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Mercury Vapor:</b> 3,200 (100 Watt)*	\$1.90	\$1.99	\$2.08
<b>High Pressure Sodium:</b> 3,300 (50 Watt)	\$2.55	\$2.67	\$2.80
5,200 (70 Watt)	\$2.43	\$2.55	\$2.66
8,500 (100 Watt)	\$2.33	\$2.44	\$2.56
14,400 (150 Watt)	\$2.14	\$2.24	\$2.34
24,700 (250 Watt)	\$1.60	\$1.68	\$1.76
45,000 (400 Watt)	\$0.99	\$1.04	\$1.09
126,000 (1,000 Watt)	\$0.20	\$0.21	\$0.22
<b>Metal Halide:</b> 5,800 (100 Watt)	\$1.88	\$1.98	\$2.07
12,000 (175 Watt)	\$1.88	\$1.98	\$2.07
16,000 (250 Watt)	\$1.88	\$1.98	\$2.07
28,000 (400 Watt)	\$1.39	\$1.46	\$1.53
88,000 (1,000 Watt)**	\$0.38	\$0.40	\$0.42

PSC No: 120 - Electricity  
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SERVICE CLASSIFICATION NO. 5 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(k) Contributory Provisions for New Residential and New Commercial or Industrial Developments: (Cont'd)

(iii) NYSEG Supply Service (NSS)

Delivery Charges	Effective Date		
	07/01/16	05/01/17	05/01/18
Energy Charge (All kWh, per kWh)	0.02724	0.02854	0.02987

	Monthly Operation and Maintenance Charges		
	07/01/16	05/01/17	05/01/18
<b>Mercury Vapor:</b> 3,200 (100 Watt)*	\$1.90	\$1.99	\$2.08
<b>High Pressure Sodium:</b> 3,300 (50 Watt)	\$2.55	\$2.67	\$2.80
5,200 (70 Watt)	\$2.43	\$2.55	\$2.66
8,500 (100 Watt)	\$2.33	\$2.44	\$2.56
14,400 (150 Watt)	\$2.14	\$2.24	\$2.34
24,700 (250 Watt)	\$1.60	\$1.68	\$1.76
45,000 (400 Watt)	\$0.99	\$1.04	\$1.09
126,000 (1,000 Watt)	\$0.20	\$0.21	\$0.22
<b>Metal Halide:</b> 5,800 (100 Watt)	\$1.88	\$1.98	\$2.07
12,000 (175 Watt)	\$1.88	\$1.98	\$2.07
16,000 (250 Watt)	\$1.88	\$1.98	\$2.07
28,000 (400 Watt)	\$1.39	\$1.46	\$1.53
88,000 (1,000 Watt)**	\$0.38	\$0.40	\$0.42

Determination of Capital Costs:

In the case of newly constructed facilities, capital cost shall include all labor, transportation, material and applicable overheads as defined in the charges for special services contained in Schedule P.S.C. No. 119 - Electricity, or superseding issues thereof, and utilized in recording the cost of such facilities on the books and records of the Corporation.

\* No longer available for new installations or replacements.

\*\* Available only in Commercial and Industrial Floodlighting applications with base-down orientation of the bulb.



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SERVICE CLASSIFICATION NO. 5 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(l) Vandalism:

If in the sole opinion of the Company, Company-owned facilities providing outdoor lighting service similar to Public Street Lighting Service but along private lanes, streets, roads or other such commonly used by-ways become subject to excessive vandalism, the customer shall be required to reimburse the Company for all maintenance costs incurred as a result of such vandalism.

(m) Budget Billing:

Customers may, by signing an application, be billed monthly in accordance with the plan set forth in Section 4-0 of P.S.C. No. 119 - Electricity or superseding issues thereof.

(n) Customers that request a glare shield to be installed on an outdoor light on the customer's premises, shall be charged based on the cost of the installation. The fee shall be equal to the charge shown in the Special Services Statement.

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 Superseding Revision: 10

**SERVICE CLASSIFICATION NO. 6**

**APPLICABLE TO THE USE OF SERVICE FOR:**

General Service - Non-Residential Service. (For estimated metered demand of 5 kW or less and use of 2,000 kWh or less per month for any two consecutive months.)

**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.)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS:**

Pursuant to General Information Section 25, Supply Service Options, customers served under this Service Classification shall choose from different electric rate choices offered by the Company as described below. The Company shall offer a Retail Access rate choice and a Non-Retail Access rate choice.

The Retail Access choice is the ESCO Supply Service (ESS). The Non-Retail Access choice is the NYSEG Supply Service (NSS).

*The Company shall provide Delivery Service regardless of the customer's supply service option.*

**1. ESCO Supply Service (ESS)**

This Retail Access choice includes fixed charges for NYSEG delivery service and a Transition Charge (Non-Bypassable Charge ["NBC"]). Supply service shall be provided by an Energy Services Company (ESCO). Customers that elect ESS and receive a Consolidated Bill shall not be subject to the Bill Issuance Charge.

RATE: (Per Meter, Per Month)

Delivery Service:

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$17.60	\$17.60	\$17.60
<b>Energy Charge</b> (All kWh, per kWh)	0.03865	0.04298	0.04746

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

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

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SERVICE CLASSIFICATION NO. 6 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**3. NYSEG Supply Service (NSS)**

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]), a fluctuating commodity charge for electricity supplied by the Company, and a Merchant Function Charge.

RATE: (Per Meter, Per Month)

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$17.60	\$17.60	\$17.60
<b>Energy Charge</b> (All kWh, per kWh)	0.03865	0.04298	0.04746

Transition Charge (Non-Bypassable Charge ["NBC"])  
 All kWh, per kWh See Transition Charge Statement

Commodity Service:  
 The charge for Electric Power Supply provided by the Company shall fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

Merchant Function Charge:  
 All kWh, per kWh See Merchant Function Charge Statement

Bill Issuance Charge (per bill): \$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):  
 All kWh, per kWh See RAM Statement, as described in Rule 38

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SERVICE CLASSIFICATION NO. 6 (Continued)

**MERCHANT FUNCTION CHARGE:**

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply, as further explained in General Information Rule 25.D. Customers whose electricity is supplied by an ESCO are not charged for this service.

**MINIMUM CHARGE:**

The minimum charge for service under this Service Classification is the monthly Customer Charge plus the Bill Issuance Charge, if applicable, as listed above.

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

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Rule 4). See SBC Statement.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). See TSAS Statement.

**REVENUE DECOUPLING MECHANISM ("RDM"):**

A customer taking service under this Service Classification shall be subject to a Revenue Decoupling Adjustment (as explained in this Schedule, General Information Rule 7). See RDM Statement.

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):**

The RAM shall be applied per kWh to all kWh delivered under this Service Classification, (as explained in this schedule, General Information Rule 38). See RAM Statement.

**INCREASE IN RATES AND CHARGES:**

The rates and charges under this Service Classification, including minimum charges, shall 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 "unit prices" 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 of 1½% per month shall be billed on all amounts not paid by that date. (Further details in Section 4 of P.S.C. No. 120 - Electricity or superseding issues thereof.)

**TERM:**

Single Phase Service:

One month and thereafter until terminated by 48 hours' notice.

Three Phase (or Two Phase) Service:

One year and thereafter until terminated by 48 hours' notice.

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

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SERVICE CLASSIFICATION NO. 6 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

- (a) Reserved For Future Use

SERVICE CLASSIFICATION NO. 6 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(g) Economic Incentives:

- (1) Reserved for Future Use
- (2) Economic Development Zone Incentive ("EDZI")

Customers served under this service classification may qualify for the EDZI Special Provision. See General Information Section 9 of this Schedule for a complete description of the EDZI.

(h) Farm Waste Electric Generating System Option:

This option is for a customer qualifying for the Farm Waste Electric Generating System Option pursuant to General Information Section 22 of this Schedule and taking service under S.C. No. 6.

(i) Wind Electric Service Option:

This option is for a customer qualifying for the Wind Electric Service Option pursuant to General Information Section 23 of this Schedule and taking service under S.C. No. 6.

(j) Solar Non-Residential Electric Service Option:

This option is for a customer qualifying for the Solar Non-Residential Generating Service Option pursuant to General Information Section 27 of this Schedule and taking service under S.C. No. 6.

(k) Electric Hybrid Generating System Option:

This option is for a customer qualifying for the Electric Hybrid Generating System Option pursuant to General Information Section 24 of this Schedule and taking service under S.C. No. 6.

(l) Fuel Cell Electric Service Option:

This option is for a customer qualifying for the Fuel Cell Service Option pursuant to General Information Section 30 of this Schedule and taking service under S.C. No. 6.

(m) Micro-Hydroelectric Service Option:

This option is for a customer qualifying for the Micro-Hydroelectric Service Option pursuant to General Information Section 31 of this Schedule and taking service under S.C. No. 6.

(n) Excelsior Jobs Program ("EJP")

Service taken under this Service Classification may be eligible for the rates and charges under the Excelsior Jobs Program.

For a customer qualifying for the EJP program, such customer shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge (Non-Bypassable Charge ["NBC"]), Commodity, Merchant Function, and Bill Issuance Charges, if applicable, in accordance with the standard NSS or ESS rates for this Service Classification. All customers are also required to pay the System Benefits Charges, Temporary State Assessment Surcharge, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM), and in accordance with the standard NSS or ESS rates for this Service Classification. Qualifying load shall be exempt from the Revenue Decoupling Mechanism (RDM).

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SERVICE CLASSIFICATION NO. 7 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS:**

Pursuant to General Information Section 25, Supply Service Options, customers served under this Service Classification shall choose from different electric rate choices offered by the Company as described below. The Company shall offer a Retail Access rate choice and Non-Retail Access rate choices as described below.

*The Company shall provide Delivery Service regardless of the customer's Supply Service Option.*

**1. ESCO Supply Service (ESS)**

This Retail Access choice includes fixed charges for NYSEG delivery service and a Transition Charge (Non-Bypassable Charge ["NBC"]). Supply Service shall be provided by an Energy Services Company (ESCO). Customers that elect ESS and receive a Consolidated Bill shall not be subject to the Bill Issuance Charge.

Rate: (Per Meter, Per Month)

Delivery Service:

	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>VOLTAGE SECONDARY S.C. 7-1 DISTRIBUTION</b>				
<b>Customer Charge</b>	\$123.18	\$123.18	\$130.24	\$137.44
Meter Ownership Charge	\$1.33	\$1.33	\$1.33	\$1.33
Meter Service Charge	\$15.90	\$15.90	\$15.90	\$15.90
Meter Data Service Charge (Meter Reading)	\$5.98	\$5.98	\$5.98	\$5.98
<b>Demand Charge</b>				
On-Peak Service	\$8.17	\$8.14	\$8.54	\$8.94
<b>Reactive Charge</b>				
Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J

Rate Adjustment Mechanism ("RAM"):

All kW, per kW See RAM Statement, as described in Rule 38

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 Superseding Revision: 12

SERVICE CLASSIFICATION NO. 7 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS (CONT'D.):**

**1. ESCO Supply Service (ESS) (cont'd)**

Rate: (Per Meter, Per Month)

Delivery Service:

	Effective Date			
<b>VOLTAGE PRIMARY S.C. 7-2 DISTRIBUTION</b>	07/01/16	09/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$442.24	\$442.24	\$467.18	\$492.62
Meter Ownership Charge	\$4.97	\$4.97	\$4.97	\$4.97
Meter Service Charge	\$46.24	\$46.24	\$46.24	\$46.24
Meter Data Service Charge (Meter Reading)	\$17.94	\$17.94	\$17.94	\$17.94
<b>Demand Charge</b>				
On-Peak Service	\$6.75	\$6.64	\$6.97	\$7.30
<b>Reactive Charge</b>				
Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00078	\$0.00078	\$0.00078	\$0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh

See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38



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SERVICE CLASSIFICATION NO. 7 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**1. ESCO Supply Service (ESS) (cont'd)**

Rate: (Per Meter, Per Month)

Delivery Service:

	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>VOLTAGE PRIMARY S.C. 7-3 SUBTRANSMISSION</b>				
<b>Customer Charge</b>	\$995.06	\$995.06	\$1,048.59	\$1,103.22
Meter Ownership Charge	\$4.68	\$4.68	\$4.68	\$4.68
Meter Service Charge	\$46.09	\$46.09	\$46.09	\$46.09
Meter Data Service Charge (Meter Reading)	15.56	\$15.56	\$15.56	\$15.56
<b>Demand Charge</b>				
On-Peak Service	\$2.07	\$1.95	\$2.04	\$2.14
<b>Reactive Charge</b>				
Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J

Rate Adjustment Mechanism ("RAM"):

All kW, per kW See RAM Statement, as described in Rule 38

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 SERVICE CLASSIFICATION NO. 7 (Continued)

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 Superseding Revision: 21

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**1. ESCO Supply Service (ESS) (cont'd)**

Rate: (Per Meter, Per Month)

Delivery Service:

	Effective Date			
<b>VOLTAGE PRIMARY S.C. 7-4 TRANSMISSION</b>	7/01/16	09/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$2164.81	\$2164.81	\$2288.06	\$2413.80
Meter Ownership Charge	\$18.32	\$18.32	\$18.32	\$18.32
Meter Service Charge	\$154.73	\$154.73	\$154.73	\$154.73
Meter Data Service Charge (Meter Reading)	\$54.78	\$54.78	\$54.78	\$54.78
<b>Demand Charge</b>				
On-Peak Service	\$0.80	\$0.76	\$0.79	\$0.83
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

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SERVICE CLASSIFICATION NO. 7 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**3. NYSEG Supply Service (NSS)**

This Non-Retail Access choice includes the same fixed charges for NYSEG Delivery Service as the ESCO Supply Service (ESS), a Transition Charge (Non-Bypassable Charge ["NBC"]), a commodity charge for electricity supplied by NYSEG which fluctuates with the market price of electricity, and a Merchant Function Charge.

RATE: (Per Meter, Per Month)

Transition Charge (Non-Bypassable Charge ["NBC"])

All kWh, per kWh

See Transition Charge Statement

Commodity Service:

The charge for Electric Power Supply provided by NYSEG shall fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

Merchant Function Charge

All kWh, per kWh

See Merchant Function Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

SERVICE CLASSIFICATION NO. 7 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**4. Hourly Pricing – Mandatory and Voluntary**

Mandatory

Customers with billed demand greater than or equal to 300 kW in any two months within the 12 months.

A customer taking service under Hourly Pricing shall remain subject to this provision until their monthly metered demand has been less than 300 kW for 12 consecutive months.

Customers that received an Economic Incentive or NYPA allocation on or before December 31, 2006, are exempt from mandatory Hourly Pricing as set forth under Voluntary Hourly Pricing.

Economic Development Program	<b>SUPPLY SERVICE OPTIONS</b> for customers having a billed demand as set forth above and began receiving the Economic Incentive <b>on or after</b> January 1, 2007	
	Electricity Supply Pricing Options for the load not receiving the incentive	Electricity Supply Pricing Options for load receiving the incentive
Economic Development Zone Incentive *	ESS or Hourly Pricing	ESS or Hourly Pricing
Incremental Load Incentive *	ESS or Hourly Pricing	ESS or Hourly Pricing

\* The customer must choose the same Supply Service Option for its incentive, non-incentive load and any future load.

Voluntary:

Hourly Pricing is voluntary for any customer taking service under Service Classification No. 7 who does not meet the requirements for Mandatory Hourly Pricing set forth above. Once a customer voluntarily elects Hourly Pricing, they shall remain subject to this provision until their monthly metered demand has been less than 300 kW for 12 consecutive months.

Hourly Pricing is also voluntary to a customer with load supplied by NYPA beginning on or prior to December 31, 2006, and would have otherwise qualified for Mandatory Hourly Pricing. These customers shall have the following Supply Service Options, all described herein, for the non-NYPA load, NSS, ESS, or Hourly Pricing, until the end of their participation in the NYPA program at which time they shall be subject to Mandatory Hourly Pricing and have the two supply options ESS or Hourly Pricing, as described below.

SERVICE CLASSIFICATION NO. 7 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**4. Hourly Pricing – Mandatory and Voluntary (Cont'd.)**

**DELIVERY CHARGES:**

The delivery charges set forth in this Service Classification for standard service shall apply to a customer taking service under Hourly Pricing. A customer that qualifies for the Economic Development Zone Incentive shall pay the delivery charges set forth in the Special Provision (d)(3) Economic Development Zone Incentive. A customer that qualifies for the Industrial/High Load Factor Special Provision shall pay the delivery charges as set forth in the Special Provision (h).

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS:**

Customers served under this provision must select from the different electricity Supply Service Options offered by the Company as described below. NYSEG shall offer a Retail Access rate choice and a Non-Retail Access rate choice.

The Retail Access choice (see 1 below) is the ESCO Supply Service (ESS). The Non-Retail Access choice (see 2 below) is the NYSEG Hourly Day-Ahead Market Pricing Option (“Hourly Pricing”).

NYSEG shall provide only delivery service for the Retail Access choice. Electricity supply is provided by an Energy Services Company (“ESCO”). Hourly Pricing customers are able to select ESCO commodity service at any time.

NYSEG shall provide delivery service and commodity service for the Non-Retail Access choice.

A customer who has not chosen an option, and for whom NYSEG has not received a retail access enrollment from an ESCO, shall default to the NYSEG Hourly Day-Ahead Market Pricing Option.

**1. ESCO Supply Service (ESS)**

This Retail Access choice includes fixed charges for NYSEG delivery service and a Transition Charge set forth on the Transition Charge Statement. Electricity supply is provided by an ESCO. Customers that elect ESS and receive a Consolidated Bill shall not be subject to the Bill Issuance Charge.

**2. NYSEG Hourly Day-Ahead Market Pricing Option (“Hourly Pricing”)**

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge set forth on the Transition Charge Statement, a Merchant Function Charge, and a commodity charge for electricity supply that fluctuates hourly with the market price of electricity including losses, unaccounted for energy, capacity, and capacity reserves, as further described herein. Electricity supply is provided by NYSEG.

SERVICE CLASSIFICATION NO. 7 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

**4. Hourly Pricing – Mandatory and Voluntary (Cont'd.)**

**METERING AND COMMUNICATION REQUIREMENTS:**

1. Customer Responsibilities:

All customers subject to this special provision are required to have interval metering and remote meter reading capability. Such customers shall be responsible for the following:

- a. the costs of providing remote meter reading capability through dedicated telecommunications to and from the meter; and
- b. the dedicated telecommunications shall be approved by the Company, and
- c. all costs associated with the installation, operation and maintenance of the telecommunications equipment, including but not limited to, all telecommunications service bills. If the Company is unable to read the meter through a customer provided connection, and the Company has determined that the problem is not caused by the Company's equipment, the customer shall be responsible for resolution of the problem. The customer shall also be responsible for reimbursement of the Company expenses incurred for visits to the meter location to ascertain the cause of the problem, including reimbursing the Company for any expenses the Company incurs, such as, but not limited to, the cost to provide a manual meter read.

2. Company Responsibilities:

- a. Equipment shall be replaced at the Company's discretion and shall be based upon available resources and Company Schedule.
- b. In the absence of equipment failure, if the customer requests replacement of working equipment, it shall be scheduled by order of request and availability.

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SERVICE CLASSIFICATION NO. 7 (Continued)

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

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Rule 4). See SBC Statement. kWh supplied by NYPA are exempt from the System Benefits Charge.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). kWh supplied by NYPA are also subject to this surcharge. See TSAS Statement.

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):**

The RAM shall be applied per kW to all kW delivered under this Service Classification (as explained in this schedule, General Information Rule 38). See RAM Statement.

**COMPETITIVE METERING OPTION:**

Qualified Customers who select the Competitive Metering Option must comply with the requirements specified in P.S.C. No. 119 - Electricity and specified in General Information Rule 14 of this Schedule, and shall not be charged the Meter Ownership, Meter Services and Meter Data Service Charges.

**METER OWNED BY CUSTOMER, INSTALLED AND MAINTAINED BY THE COMPANY**

Customers electing to own their own meters, as described in Section 3.A.2 of P.S.C. No. 119 - Electricity, shall not be charged the Meter Ownership Charge. This provision is separate and distinct from Competitive Metering.

**INCREASES IN RATES AND CHARGES:**

The rates and charges under this Service Classification, including the minimum charge, shall be increased by a surcharge pursuant to Rule 6 of P.S.C. No. 120 to reflect the tax rates applicable within the municipality where the customer takes service.

**DETERMINATION OF DEMAND:**

The Determination of Demand shall be derived from the on-peak hours only. The metered demand shall be the highest average kW used in a 15-minute interval during the month.

(For customers whose meters are read bi-monthly, the billing demand shall be 95% of the metered demand.)

For subtransmission and transmission customers also served by the Company under Special Provision F of Service Classification No. 10, the measured demand of the output provided by the customer's generating facility shall be added to the measured demand as determined by the Company's meter for service under this Classification.

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

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SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

Reserved for Future Use



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SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: Reserved for Future Use

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SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: (Cont'd)

(3) Economic Development Zone Incentive:

Customers who qualify, under the Economic Development Zone Incentive (EDZI) in Section 9 of the General Information section of this Schedule, to receive an incentive for load qualified on or after July 1, 2003 may select one of the following rate options, as specified in this Service Classification and Section 25, Supply Service Options, for all of their load: 1) NYSEG Supply Service (NSS), 2) ESCO Supply Service (ESS), or 3) Hourly Pricing.

Such customers shall receive the incentive for a term of 10 years following initial zone certification beginning with the eligibility date on the zone certificate (unless the customer's initial zone certification(s) becomes invalid).

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 Issued in compliance with Order in Case 15-E-0283, dated June 15, 2016

Leaf No. 228  
 Revision: 23  
 Superseding Revision: 21

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: (Cont'd)

(3) Economic Development Zone Incentive: (Cont'd)

All customers shall be required to pay Commodity, Merchant Function and Bill Issuance Charges, if applicable, in accordance with the standard NSS, ESS, or Hourly Pricing rates, System Benefits Charge, Temporary State Assessment Surcharge, Revenue Decoupling Mechanism, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM) surcharge for this Service Classification. Hourly Pricing customers shall also be billed the Electric Capacity Charge in accordance with the Hourly Pricing rates for this Service Classification.

Customers taking service under S.C. No. 7-1 and S.C. No. 7-2 shall be exempt from paying the Transition Charge (Non-Bypassable Charge ["NBC"]). For certain adjustments approved by the Commission, a separate credit shall be calculated and placed on the customer's bill. If it is determined that a bill calculated with the incentive exceeds a bill calculated under the otherwise applicable standard service classification rates, the customer shall pay the lower of the two bills.

The qualified load receiving the incentive shall be billed at the following applicable delivery rates:

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>VOLTAGE SECONDARY S.C. 7-1 DISTRIBUTION</b>			
<b>Customer Charge</b>	\$123.18	\$130.24	137.44
Meter Ownership Charge	\$1.33	\$1.33	\$1.33
Meter Service Charge	\$15.90	\$15.90	\$15.90
Meter Data Service Charge (Meter Reading)	\$5.98	\$5.98	\$5.98
<b>Demand Charge</b> On-Peak Service	\$7.23	\$7.21	\$7.18
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078

PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
 Initial Effective Date: July 1, 2016  
 Issued in compliance with Order in Case 15-E-0283, dated June 15, 2016

Leaf No. 229  
 Revision: 21  
 Superseding Revision: 19

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: (Cont'd)

(3) Economic Development Zone Incentive: (Cont'd)

The qualified load receiving the incentive shall be billed at the following applicable delivery rates: (Cont'd)

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>VOLTAGE PRIMARY S.C. 7-2 DISTRIBUTION</b>			
<b>Customer Charge</b>	\$442.24	\$467.18	\$492.62
Meter Ownership Charge	\$4.97	\$4.97	\$4.97
Meter Service Charge	\$46.24	\$46.24	\$46.24
Meter Data Service Charge (Meter Reading)	\$17.94	\$17.94	\$17.94
<b>Demand Charge</b>			
On-Peak Service	\$6.75	\$6.97	\$7.30
<b>Reactive Charge</b>			
Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: July 1, 2016  
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Leaf No. 230  
Revision: 24  
Superseding Revision: 23

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: (Cont'd)

(3) Economic Development Zone Incentive: (Cont'd)

Customers taking service under S.C. No. 7-3 shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge (Non-Bypassable Charge ["NBC"]), Commodity, Merchant Function and Bill Issuance Charges, if applicable, System Benefits Charge, Temporary State Assessment Surcharge, Reliability Support Services Surcharge, Rate Adjustment Mechanism, and Revenue Decoupling Mechanism surcharges, if applicable, in accordance with the standard NSS, ESS, or Hourly Pricing rates for this Service Classification.

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Leaf No. 231  
Revision: 21  
Superseding Revision: 19

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

Reserved for Future Use

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

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
Initial Effective Date: July 1, 2016  
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Leaf No. 234  
Revision: 5  
Superseding Revision: 3

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: (Cont'd)

(4) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
Initial Effective Date: July 1, 2016  
Issued in compliance with Order in Case 15-E-0283, dated June 15, 2016

Leaf No. 235  
Revision: 2  
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: (Cont'd)

(4) Reserved for Future Use



PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: July 1, 2016  
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Leaf No. 236  
Revision: 9  
Superseding Revision: 7

SERVICE CLASSIFICATION NO. 7 (Continued)

**SPECIAL PROVISIONS: (Cont'd.)**

(d) Economic Incentives: (Cont'd)

(4) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
Initial Effective Date: July 1, 2016  
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Leaf No. 238  
Revision: 5  
Superseding Revision: 3

SERVICE CLASSIFICATION NO. 7 (Continued)

**SPECIAL PROVISIONS: (Cont'd.)**

(d) Economic Incentives: (Cont'd)

(7) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
Initial Effective Date: July 1, 2016  
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Leaf No. 239  
Revision: 2  
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

**SPECIAL PROVISIONS: (Cont'd.)**

(d) Economic Incentives: (Cont'd)

(7) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
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Leaf No. 240  
Revision: 2  
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

**SPECIAL PROVISIONS: (Cont'd.)**

(d) Economic Incentives: (Cont'd)

(7) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
Initial Effective Date: July 1, 2016  
Issued in compliance with Order in Case 15-E-0283, dated June 15, 2016

Leaf No. 241  
Revision: 2  
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

**SPECIAL PROVISIONS: (Cont'd.)**

(d) Economic Incentives: (Cont'd)

(7) Reserved for Future Use

(8) Reserved for Future Use

(9) High Load Factor Manufacturer Power ("HLFM")

Before service will commence under this Special Provision, the Company and NYPA must execute an agreement governing additional terms of HLFM service. During the Price Cap Period (March 3, 1998 through March 2, 2003) customers who qualify for this special HLFM power provision, pursuant to Section 18 of the General Information section of this Schedule, provided such load was not previously served by the Company, will have such power billed in accordance with the following rate schedule:

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: July 1, 2016  
Issued in compliance with Order in Case 15-E-0283, dated June 15, 2016

Leaf No. 243  
Revision: 15  
Superseding Revision: 14

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) (10) Incremental Load Incentive (ILI)

Customers who qualify under the Incremental Load Incentive (ILI) in Section 19 of the General Information section may select one of the following rate options, as specified in this Service Classification and Section 25, Supply Service Options, for all of their load: 1) NYSEG Supply Service (NSS), 2) ESCO Supply Service (ESS), or 3) Hourly Pricing.

Such customers shall receive the incentive for a term of 60 months.

Customers taking service under this provision shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge (Non-Bypassable Charge ["NBC"]), Commodity, Merchant Function and Bill Issuance Charges, if applicable, System Benefits Charge, Temporary State Assessment Surcharge, Reliability Support Services Surcharge, Rate Adjustment Mechanism, and Revenue Decoupling Mechanism, if applicable

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: July 1, 2016  
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Leaf No. 243.1  
Revision: 6  
Superseding Revision: 4

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

Reserved for Future Use

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

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Leaf No. 243.2  
Revision: 10  
Superseding Revision: 9

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) ( (11) Excelsior Jobs Program (“EJP”)

Service taken under this Service Classification may be eligible for the rates and charges under the Excelsior Jobs Program. Any customer who meets the qualifications set forth under General Information Rule 32 shall pay for service at the following rate:

RATE: (per month)

For customers qualifying for the EJP, the Transition Charge (Non-Bypassable Charge [“NBC”]) and the Revenue Decoupling Mechanism (RDM) Adjustment do not apply to the following S.C. No. 7 voltage levels: Secondary and Primary. All customers shall be required to pay Commodity, Capacity, Merchant Function, and Bill Issuance Charges, if applicable, in accordance with the standard NSS or ESS rates for this Service Classification. All customers are also required to pay the System Benefits Charges, Temporary State Assessment Surcharge, and Reactive Charges in accordance with the standard NSS or ESS rates for this Service Classification.

If it is determined that a bill calculated with the incentive exceeds a bill calculated under the otherwise applicable standard service classification rates, the customer shall pay the lower of the two bills.



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 Superseding Revision: 1

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) (11) Excelsior Jobs Program (EJP) (Cont'd)

VOLTAGE SECONDARY S.C. 7-1 DISTRIBUTION	Effective Date		
	07/01/16	05/01/17	05/01/18
Delivery Charges			
Customer Charge	\$ 123.18	\$ 130.24	\$ 137.44
Meter Ownership Charge	\$ 1.33	\$ 1.33	\$ 1.33
Meter Service Charge	\$ 15.90	\$ 15.90	\$ 15.90
Meter Data Service Charge (Meter Reading)	\$ 5.98	\$ 5.98	\$ 5.98
Demand Charge (All kW, per kW)	\$7.23	\$7.21	\$7.18
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078

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

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: July 1, 2016  
Issued in compliance with Order in Case 15-E-0283, dated June 15, 2016

Leaf No. 243.4  
Revision: 7  
Superseding Revision: 6

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) (11) Excelsior Jobs Program (EJP) (Cont'd)

For a customer qualifying for the EJP program and taking S.C. 7-2 Primary, S.C. 7-3 Subtransmission and 7-4 Transmission service, such customer shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge (Non-Bypassable Charge ["NBC"]), Commodity, Merchant Function, and Bill Issuance Charges, if applicable, in accordance with the standard NSS or ESS rates for this Service Classification. All customers are also required to pay the System Benefits Charges, Temporary State Assessment Surcharge, Reliability Support Services Surcharge, Rate Adjustment Mechanism, and Reactive Charges in accordance with the standard NSS or ESS rates for this Service Classification. Qualifying load shall be exempt from the Revenue Decoupling Mechanism (RDM).

EJP customers shall be offered two supply service options and charged in accordance with their choice:

1. ESCO Supply Service
2. NYSEG Supply Service

(e) Billing Duration:

Service Classification No. 2 customers who opt for service under Service Classification No. 7 for the first time must remain on the Time-Of-Use rate for a period of not less than six months prior to becoming eligible to return to Service Classification No. 2. If a customer returns to Service Classification No. 2, the customer must remain a Service Classification No. 2 customer for at least 18 months before again becoming eligible for Service Classification No. 7. If the customer again opts for Service Classification No. 7, the customer must remain on Service Classification No. 7 in conformance with the TERM as set forth herein.

(f) RESERVED FOR FUTURE USE

(g) RESERVED FOR FUTURE USE

PSC No: 120 - Electricity  
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 Issued in compliance with Order in Case 15-E-0283, dated June 15, 2016

Leaf No. 247  
 Revision: 15  
 Superseding Revision: 13

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(h) Industrial/High Load Factor Rate Provision (Con'td.):

(4) Rate for Industrial/High Load Factor Service: (Per Month)

A complete description of the Supply Service Options appears previously in this Service Classification. Customers taking service under NSS shall pay Commodity and Merchant Function Charges in accordance with the standard NSS rates for the Service Classification.

Delivery Rates for ESS and NSS under the Industrial/High Load Factor Special Provision are as follows:

Rate: (Per Meter, Per Month)

	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>VOLTAGE SECONDARY SC 7-1 DISTRIBUTION</b>				
<b>Customer Charge</b>	\$123.18	\$123.18	\$130.24	\$137.44
Meter Ownership Charge	\$1.33	\$1.33	\$1.33	\$1.33
Meter Service Charge	\$15.90	\$15.90	\$15.90	\$15.90
Meter Data Service Charge (Meter Reading)	\$5.98	\$5.98	\$5.98	\$5.98
<b>Demand Charge</b>				
On-Peak Service	\$7.97	\$8.14	\$8.54	\$8.94
<b>Reactive Charge</b>				
Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81 as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

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

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(h) Industrial/High Load Factor Rate Provision (Cont'd.):

(4) Rate for Industrial/High Load Factor Service: (Per Month) (Cont'd.)

Delivery Rates for ESS and NSS under the Industrial/High Load Factor Special Provision are as follows (cont'd):

Rate: (Per Meter, Per Month)

	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>VOLTAGE PRIMARY SC 7-2 DISTRIBUTION</b>				
<b>Customer Charge</b>	\$442.24	\$442.24	\$467.18	\$492.62
Meter Ownership Charge	\$4.97	\$4.97	\$4.97	\$4.97
Meter Service Charge	\$46.24	\$46.24	\$46.24	\$46.24
Meter Data Service Charge (Meter Reading)	\$17.94	\$17.94	\$17.94	\$17.94
<b>Demand Charge</b>				
On-Peak Service	\$6.52	\$6.64	\$6.97	\$7.30
<b>Reactive Charge</b>				
Reactive kilovolt-ampere hours, per billing reactive kilovolt- ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"])

All kWh, per kWh

See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81 as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

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SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(h) Industrial/High Load Factor Rate Provision (Cont'd.):

(4) Rate for Industrial/High Load Factor Service: (Per Month) (Cont'd.)

Delivery Rates for ESS and NSS under the Industrial/High Load Factor Special Provision are as follows (cont'd):

Rate: (Per Meter, Per Month)

	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>VOLTAGE PRIMARY SC 7-3 SUBTRANSMISSION</b>				
<b>Customer Charge</b>	\$995.06	\$995.06	\$1,048.59	\$1,103.22
Meter Ownership Charge	\$4.68	\$4.68	\$4.68	\$4.68
Meter Service Charge	\$46.09	\$46.09	\$46.09	\$46.09
Meter Data Service Charge (Meter Reading)	\$15.56	\$15.56	\$15.56	\$15.56
<b>Demand Charge</b>				
On-Peak Service	\$1.89	\$1.95	\$2.04	\$2.14
<b>Reactive Charge</b>				
Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81 as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(h) Industrial/High Load Factor Rate Provision (Cont'd.)

(4) Rate for Industrial/High Load Factor Service: (Per Month) (Cont'd.)

Delivery Rates for ESS and NSS under the Industrial/High Load Factor Special Provision are as follows (cont'd):

Rate: (Per Meter, Per Month)

	Effective Date			
	07/01/16	09/01/16	05/01/17	05/01/18
<b>VOLTAGE PRIMARY SC 7-4 TRANSMISSION</b>				
<b>Customer Charge</b>	\$,2164.81	\$2,164.81	\$2,288.06	\$2,413.80
Meter Ownership Charge	\$18.32	\$18.32	\$18.32	\$18.32
Meter Service Charge	\$154.73	\$154.73	\$154.73	\$154.73
Meter Data Service Charge (Meter Reading)	\$54.78	\$54.78	\$54.78	\$54.78
<b>Demand Charge</b>				
On-Peak Service	\$0.73	\$0.76	\$0.79	\$0.83
<b>Reactive Charge</b>				
Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh

See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81 as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kW, per kW

See RAM Statement, as described in Rule 38

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Leaf No. 257  
 Revision: 12  
 Superseding Revision: 10

SERVICE CLASSIFICATION NO. 8 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (Cont'd.)**

**1. ESCO Supply Service (ESS)**

This Retail Access choice includes fixed charges for NYSEG delivery service and a Transition Charge (Non-Bypassable Charge ["NBC"]). Supply Service shall be provided by an Energy Services Company (ESCO). Customers that elect ESS and receive a Consolidated Bill shall not be subject to the Bill Issuance Charge.

RATE: (Per Meter, Per Month)

Delivery Service:

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$17.40	\$17.40	\$17.40
<b>Energy Charge</b> (All kWh, per kWh)			
"Day" Service	0.03317	0.03551	0.03790
"Night" Service	0.03317	0.03551	0.03790

Transition Charge:

All kWh, per kWh

See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kWh, per kWh

See RAM Statement, as described in Rule 38

PSC No: 120 - Electricity  
 New York State Electric and Gas Corporation  
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Leaf No. 260  
 Revision: 11  
 Superseding Revision: 9

SERVICE CLASSIFICATION NO. 8 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (Cont'd.)**

**3. NYSEG Supply Service (NSS)**

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]), a fluctuating commodity charge for electricity supplied by the Company, and a Merchant Function Charge.

RATE: (Per Meter, Per Month)

Delivery Service:

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$17.40	\$17.40	\$17.40
<b>Energy Charge</b> (All kWh, per kWh)			
"Day" Service	0.03317	0.03551	0.03790
"Night" Service	0.03317	0.03551	0.03790

Transition Charge:

All kWh, per kWh

See Transition Charge Statement

Commodity Service:

The charge for Electric Power Supply provided by the Company shall fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

Merchant Function Charge:

All kWh, per kWh

See Merchant Function Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kWh, per kWh

See RAM Statement, as described in Rule 38



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New York State Electric & Gas Corporation  
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Superseding Revision: 27

SERVICE CLASSIFICATION NO. 8 (Continued)

**MERCHANT FUNCTION CHARGE:**

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply, as further explained in General Information Section 25.D. Customers whose electricity is supplied by an ESCO are not charged for this service.

**MINIMUM CHARGE:**

The minimum charge for service under this Service Classification is the monthly Customer Charge plus the Bill Issuance Charge, if applicable, as listed above.

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

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Rule 4). See SBC Statement.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). See TSAS Statement.

**REVENUE DECOUPLING MECHANISM ("RDM"):**

A customer taking service under this Service Classification shall be subject to a Revenue Decoupling Adjustment (as explained in this Schedule, General Information Rule 7). See RDM Statement

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):**

The RAM shall be applied per kWh to all kWh delivered under this Service Classification (as explained in this schedule, General Information Rule 38). See RAM Statement.

**INCREASE IN RATES AND CHARGES:**

The rates and charges under this Service Classification, including minimum charges, shall be increased by a surcharge pursuant to Rule 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 "unit prices" 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 of 1½% per month shall be billed on all amounts not paid by that date. (Further details in Section 4 of P.S.C. No. 119 - Electricity or superseding issues thereof.)

**TERM:**

One month and thereafter, or for customers initiating service on or after June 1, 1988, one year and thereafter, until terminated by 48 hours' notice. Service under this Service Classification, once terminated by the customer, shall be unavailable to said customer at the same premises for one year from the date of such cancellation.

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

PSC No: 120 - Electricity  
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Leaf No. 262  
Revision: 21  
Superseding Revision: 19

SERVICE CLASSIFICATION NO. 8 (Continued)

SPECIAL PROVISIONS:

(a) Seasonal Service:

Upon request, customers who, during a period of six or more consecutive months, make only occasional (compared to the balance of the year) or no use of electric service at their premises may have their service maintained throughout the period, not to exceed eight months, and shall be billed for the kilowatt-hours consumed during this period at the following unit prices per kWh:

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Delivery Charges</b> (All kWh, per kWh)	0.03317	0.03551	0.03790
<b>Transition Charge</b> (All kWh, per kWh)	See Transition Charge Statement		

The total bill for delivery service, however, for the year shall in no case be less than \$208.80 plus actual billed Bill Issuance Charges.

Commodity Service

Customers served under this special provision shall be billed for supply service in accordance with the customer's Supply Service Option (ESS or NSS).

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SERVICE CLASSIFICATION NO. 9 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (CONT'D.)**

*The Company shall provide Delivery Service regardless of the customer's Supply Service Option.*

**1. ESCO Supply Service (ESS)**

This Retail Access choice includes fixed charges for NYSEG delivery service and a Transition Charge (Non-Bypassable Charge ["NBC"]). Supply service shall be provided by an Energy Services Company (ESCO). Customers that elect ESS and receive a Consolidated Bill shall not be subject to the Bill Issuance Charge.

RATE: (Per Meter, Per Month)

Delivery Service:

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$20.41	\$20.41	\$20.41
<b>Energy Charge</b> (All kWh, per kWh)			
"Day" Service	0.03469	0.03759	0.04058
"Night" Service	0.03469	0.03759	0.04058

Transition Charge (Non-Bypassable Charge ["NBC"])

All kWh, per kWh                      See Transition Charge Statement

Bill Issuance Charge (per bill):                      \$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kWh, per kWh                      See RAM Statement, as described in Rule 38

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Revision: 11  
Superseding Revision: 9

SERVICE CLASSIFICATION NO. 9 (Continued)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS

3. NYSEG Supply Service (NSS)

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]), a fluctuating commodity charge for electricity supplied by the Company, and a Merchant Function Charge.

RATE: (Per Meter, Per Month)

Delivery Service:

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$20.41	\$20.41	\$20.41
<b>Energy Charge</b> (All kWh, per kWh)			
"Day" Service	0.03469	0.03759	0.04058
"Night" Service	0.03469	0.03759	0.04058

Transition Charge (Non-Bypassable Charge ["NBC"])

All kWh, per kWh

See Transition Charge Statement

Commodity Service

The charge for Electric Power Supply provided by the Company shall fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

Merchant Function Charge

All kWh, per kWh

See Merchant Function Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kWh, per kWh

See RAM Statement, as described in Rule 38

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Leaf No. 272  
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Superseding Revision: 29

SERVICE CLASSIFICATION NO. 9 (Continued)

**MERCHANT FUNCTION CHARGE:**

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply, as further explained in General Information Rule 25.D. Customers whose electricity is supplied by an ESCO are not charged for this service.

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

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Rule 4). See SBC Statement.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). See TSAS Statement.

**REVENUE DECOUPLING MECHANISM ("RDM"):**

A customer taking service under this Service Classification shall be subject to a Revenue Decoupling Adjustment (as explained in this Schedule, General Information Rule 7). See RDM Statement

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):**

The RAM shall be applied per kWh to all kWh delivered under this Service Classification, (as explained in this schedule, General Information Rule 38). See RAM Statement.

**INCREASE IN RATES AND CHARGES:**

The rates and charges under this Service Classification, including minimum charges, shall be increased by a surcharge pursuant to Rule 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 "unit prices" 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 of 1½% per month shall be billed on all amounts not paid by that date. (Further details in Section 4 of P.S.C. No. 119 - Electricity or superseding issues thereof.)

**TERM:**

One month and thereafter until terminated by 48 hours' notice.

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Superseding Revision: 4

SERVICE CLASSIFICATION NO. 9 (Continued)

SPECIAL PROVISIONS:

Reserved for Future Use

SERVICE CLASSIFICATION NO. 9 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(i) Wind Electric Service Option:

This option is for a customer qualifying for the Wind Non-Residential Service Option pursuant to General Information Section 23 of this Schedule and taking service under S.C. No. 9. If electricity (kWh) supplied by the customer to the Corporation is not metered for the time-differentiated periods, an allocation to each TOU period shall be done according to allocation factors as described herein. 67% of the excess electricity (kWh) supplied by the customer shall be considered "Day" kWh. 33% of the excess electricity (kWh) supplied by the customer shall be considered "Night" kWh.

(j) Solar Non-Residential Electric Service Option:

This option is for a customer qualifying for the Solar Non-Residential Generating Service Option pursuant to General Information Section 27 of this Schedule and taking service under S.C. No. 9. If electricity (kWh) supplied by the customer to the Corporation is not metered for the time-differentiated periods, an allocation to each TOU period shall be done according to allocation factors as described herein. 67% of the excess electricity (kWh) supplied by the customer shall be considered "Day" kWh. 33% of the excess electricity (kWh) supplied by the customer shall be considered "Night" kWh.

(k) Electric Hybrid Generating System Option:

This option is for a customer qualifying for the Electric Hybrid Generating System Option pursuant to General Information Section 24 of this Schedule and taking service under S.C. No. 9.

(l) Fuel Cell Electric Service Option:

This option is for a customer qualifying for the Fuel Cell Service Option pursuant to General Information Section 30 of this Schedule and taking service under S.C. No. 9.

(m) Micro-Hydroelectric Service Option:

This option is for a customer qualifying for the Micro-Hydroelectric Service Option pursuant to General Information Section 31 of this Schedule and taking service under S.C. No. 9.

(n) Excelsior Jobs Program ("EJP")

Service taken under this Service Classification may be eligible for the rates and charges under the Excelsior Jobs Program.

For a customer qualifying for the EJP program, such customer shall be subject to the otherwise applicable standard service classification rates, including the Transition Charge (Non-Bypassable Charge ["NBC"]), Commodity, Merchant Function, and Bill Issuance Charges, if applicable, in accordance with the standard NSS or ESS rates for this Service Classification. All customers are also required to pay the System Benefits Charges, Temporary State Assessment Surcharge, Reliability Support Services (RSS), and Revenue Adjustment Mechanism (RAM) in accordance with the standard NSS or ESS rates for this Service Classification. Qualifying load shall be exempt from the Revenue Decoupling Mechanism ("RDM").

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

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Revision: 3  
Superseding Revision: 1

SERVICE CLASSIFICATION NO. 11 (Continued)

**OPTIONAL STANDBY SERVICE RATE PHASE-IN IS APPLICABLE TO: (Cont'd.)**

**CHARACTER OF SERVICE**

Continuous - Alternating Current, 60 cycle; Secondary Service at 120, 120/208, 120/240, 208, 240, 240/416, 277/480, or 480 Volts; or Primary (Distribution) Service at 2,400, 4,160, 4,800, 7,200, 8,320, 12,000, 12,470, 13,200, or 34,500 (Regulated) Volts; or Subtransmission Service at 34,500 or 46,000 (Both Non-Regulated) Volts; or Transmission Service at 115,000 Volts and above (Non-Regulated). Single or Three Phase. (Characteristics depend upon available circuits and equipment.)



PSC No: 120 - Electricity  
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 Superseding Revision: 23

SERVICE CLASSIFICATION NO. 11 (Continued)

**RATES (Per Month)**

Delivery Charges: There are up to four rate components of the delivery rate portion of this Standby Service: Customer Charge, Contract Demand Charge, As-Used Demand Charge, and Reactive Charge, as applicable.

Transition Charge (Non-Bypassable Charge [“NBC”]): The customer’s Otherwise Applicable Service Classification (“OASC”) shall determine the applicable charge. The charge shall apply to all kWh, per kWh.

Rate Adjustment Mechanism (“RAM”):  
 Per As-Used Demand See RAM Statement, as described in Rule 38

Service Classification Nos. 1 and 6:

SC1 Residential Service	Effective Date		
Per Meter	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>			
Delivery Charge	\$15.11	\$15.11	\$15.11
<b>Contract Demand Charge</b>			
Delivery Charge	\$12.63	\$13.67	\$14.81
<b>As-Used Demand Charge</b> (All kWh, per kWh)			
Delivery Charge	0.01721	0.01862	0.02018

Transition Charge (Non-Bypassable Charge [“NBC”]):  
 All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill): \$0.81, as described in General Information Section 16.J

Rate Adjustment Mechanism (“RAM”):  
 Per As-Used Demand See RAM Statement, as described in Rule 38

SC6 General Service w/o Demand	Effective Date		
Per Meter	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>			
Delivery Charge	\$17.60	\$17.60	\$17.60
<b>Contract Demand Charge</b>			
Delivery Charge	\$8.04	\$8.86	\$9.85
<b>As-Used Demand Charge</b> (All kWh, per kWh)			
Delivery Charge	0.01528	0.01684	0.01872

Transition Charge (Non-Bypassable Charge [“NBC”]):  
 All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill): \$0.81, as described in General Information Section 16.J.

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

PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
 Initial Effective Date: July 1, 2016  
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Leaf No. 287.1  
 Revision: 11  
 Superseding Revision: 9

SERVICE CLASSIFICATION NO. 11 (Continued)

**RATES (Per Month) (Cont'd.)**

Delivery Rates for Service Classification Nos. 8 and 9:

S.C. No. 8 – Residential Day/Night	Effective Date		
Per Meter	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b> Delivery Charge	\$17.40	\$17.40	\$17.40
<b>Contract Demand Charge</b> Delivery Charge	\$21.51	\$23.11	\$24.89
<b>As-Used Demand Charge</b> (All kWh, per kWh) Delivery Charge			
Day	0.01353	0.01454	0.01566
Night	0.01353	0.01454	0.01566

Transition Charge (Non-Bypassable Charge [“NBC”]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism (“RAM”):

Per As-Used Demand See RAM Statement, as described in Rule 38

S.C. No. 9 - General Service Day/Night	Effective Date		
Per Meter	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b> Delivery Charge	\$20.41	\$20.41	\$20.41
<b>Contract Demand Charge</b> Delivery Charge	\$17.56	\$18.84	\$20.38
<b>As-Used Demand Charge</b> (All kilowatt-hours, per kilowatt-hour) Delivery Charge			
Day	0.01275	0.01368	0.01479
Night	0.01275	0.01368	0.01479

Transition Charge (Non-Bypassable Charge [“NBC”]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism (“RAM”):

Per As Used Demand See RAM Statement, as described in Rule 38

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

SERVICE CLASSIFICATION NO. 11 (Continued)

**RATES (Per Month) (Cont'd.)**

Delivery Rates for Service Classification No. 12:

S.C. No. 12 – Residential Time of Use	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Per Meter</b>			
<b>Customer Charge</b>			
Delivery Charge	\$24.11	\$24.11	\$24.11
<b>Contract Demand Charge</b>			
Delivery Charge	\$83.52	\$88.51	\$93.97
<b>As-Used Demand Charge</b>			
(All kWh, per kWh)			
Delivery Charge			
On-Peak	0.01517	0.01608	0.01707
Mid-Peak	0.01517	0.01608	0.01707
Off-Peak	0.01517	0.01608	0.01707

Transition Charge(Non-Bypassable Charge [“NBC”]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism (“RAM”):

Per As-Used Demand See RAM Statement, as described in Rule 38

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SERVICE CLASSIFICATION NO. 11 (Continued)

**RATES (Per Month) (Cont'd.)**

Service Classification No. 2 with Interval Metering:

Per Meter	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>			
Delivery Charge	\$7.27	\$8.41	\$9.57
Meter Ownership Charge	\$0.76	\$0.76	\$0.76
Meter Service Charge	\$10.37	\$10.37	\$10.37
Meter Data Service Charge (Meter Reading)	\$3.61	\$3.61	\$3.61
<b>Contract Demand Charge</b> (Contract kW, per kW)			
Delivery Charge	\$4.66	\$4.87	\$5.08
<b>As-Used Demand Charge</b> (Per kW, per day)			
Delivery Charge	0.21271	0.22259	0.23174
<b>Reactive Charge</b>			
Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	.00078	.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

Per As-Used Demand

See RAM Statement, as described in Rule 38

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

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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**SERVICE CLASSIFICATION NO. 11 (Continued)**

**RATES (Per Month) (Cont'd.)**

Service Classification No. 3 with Interval Metering:

SC 3P – Primary	Effective Date		
	07/01/16	05/01/17	05/01/18
Per Meter			
<b>Customer Charge</b>			
Delivery Charge	\$61.43	\$66.46	\$71.59
Meter Ownership Charge	\$1.74	\$1.74	\$1.74
Meter Service Charge	\$21.54	\$21.54	\$21.54
Meter Data Service Charge (Meter Reading)	\$6.30	\$6.30	\$6.30
<b>Contract Demand Charge</b> (Contract kW, per kW)			
Delivery Charge	\$3.84	\$4.02	\$4.20
<b>As-Used Demand Charge</b> (Per kW, per day)			
Delivery Charge	0.18684	0.19547	0.20417
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour			
	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge [“NBC”]):

All kWh, per kWh                      See Transition Charge Statement

Bill Issuance Charge (per bill):                      \$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism (“RAM”):

Per As-Used Demand                      See RAM Statement, as described in Rule 38

SC 3S – Subtransmission	Effective Date		
	07/01/16	05/01/17	05/01/18
Per Meter			
<b>Customer Charge</b>			
Delivery Charge	\$274.63	\$289.44	\$304.55
Meter Ownership Charge	\$1.65	\$1.65	\$1.65
Meter Service Charge	\$22.31	\$22.31	\$22.31
Meter Data Service Charge (Meter Reading)	\$4.55	\$4.55	\$4.55
<b>Contract Demand Charge</b> (Contract kW, per kW)			
Delivery Charge	\$1.58	\$1.67	\$1.75
<b>As-Used Demand Charge</b> (Per kW, per day)			
Delivery Charge	0.14281	0.15076	0.15822
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour			
	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge [“NBC”]):

All kWh, per kWh                      See Transition Charge Statement

Bill Issuance Charge (per bill):                      \$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism (“RAM”):

Per As-Used Demand                      See RAM Statement, as described in Rule 38

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

PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
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SERVICE CLASSIFICATION NO. 11 (Continued)

**RATES (Per Month) (Cont'd.)**

Service Classification No. 7 with Interval Metering:

SC 7-1 Secondary Per Meter	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>			
Delivery Charge	\$123.18	\$130.24	\$137.44
Meter Ownership Charge	\$1.33	\$1.33	\$1.33
Meter Service Charge	\$15.90	\$15.90	\$15.90
Meter Data Service Charge (Meter Reading)	\$5.98	\$5.98	\$5.98
<b>Contract Demand Charge</b> (Contract kW, per kW)			
Delivery Charge	\$3.50	\$3.67	\$3.83
<b>As-Used Demand Charge</b> (Per kW, per day)			
Delivery Charge	0.17863	0.18733	0.19549
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill): \$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

Per As-Used Demand See RAM Statement, as described in Rule 38

SC 7-2 Primary Distribution Per Meter	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>			
Delivery Charge	\$442.24	\$467.18	\$492.62
Meter Ownership Charge	\$4.97	\$4.97	\$4.97
Meter Service Charge	\$46.24	\$46.24	\$46.24
Meter Data Service Charge (Meter Reading)	\$17.94	\$17.94	\$17.94
<b>Contract Demand Charge</b> (Contract kW, per kW)			
Delivery Charge	\$3.09	\$3.25	\$3.41
<b>As-Used Demand Charge</b> (Per kW, per day)			
Delivery Charge	0.13911	0.14664	0.15357
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	0.00078	0.00078	0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill): \$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

Per As-Used Demand See RAM Statement, as described in Rule 38

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

SERVICE CLASSIFICATION NO. 11 (Continued)

**RATES (Per Month) (Cont'd.)**  
 Service Classification No. 7 with Interval Metering:

<b>SC 7-3 Subtransmission</b>	Effective Date		
<b>Per Meter</b>	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>			
Delivery Charge	\$995.06	\$1048.59	\$1103.22
Meter Ownership Charge	\$4.68	\$4.68	\$4.68
Meter Service Charge	\$46.09	\$46.09	\$46.09
Meter Data Service Charge (Meter Reading)	\$15.56	\$15.56	\$15.56
<b>Contract Demand Charge</b> (Contract kW, per kW)			
Delivery Charge	\$0.82	\$0.86	\$0.91
<b>As-Used Demand Charge</b> (Per kW, per day)			
Delivery Charge	\$0.05466	\$0.05768	\$0.06052
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00078	\$0.00078	\$0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh                                  See Transition Charge Statement

Bill Issuance Charge (per bill):                                  \$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

Per As Used Demand                                  See RAM Statement, as described in Rule 38

<b>SC 7-4 Transmission</b>	Effective Date		
<b>Per Meter</b>	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>			
Delivery Charge	\$2164.81	\$2288.06	\$2413.80
Meter Ownership Charge	\$18.32	\$18.32	\$18.32
Meter Service Charge	\$154.73	\$154.73	\$154.73
Meter Data Service Charge (Meter Reading)	\$54.78	\$54.78	\$54.78
<b>Contract Demand Charge</b> (Contract kW, per kW)			
Delivery Charge	\$0.10	\$0.11	\$0.12
<b>As-Used Demand Charge</b> (Per kW, per day)			
Delivery Charge	\$0.03520	\$0.03768	\$0.03957
<b>Reactive Charge</b> Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00078	\$0.00078	\$0.00078

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh                                  See Transition Charge Statement

Bill Issuance Charge (per bill):                                  \$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

Per As-Used Demand                                  See RAM Statement, as described in Rule 38

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New York State Electric & Gas Corporation  
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SERVICE CLASSIFICATION NO. 11 (Continued)

**Billing of Reactive Kilovolt Hours:**

Unless it is determined by the Company that system operations require that the customer take reactive power from the Company's system, all metered reactive energy used by the customer shall be billed at the rate specified above. This includes reactive power used during normal operation of the customer's OSG or Wholesale Generator as well as that used when the Company provides standby service.

**Rate Periods:**

For a customer whose OASC is S.C. Nos. 2, 3, or 7, On-Peak hours are defined as the hours between 7:00 A.M. and 10:00 P.M. (Local Time), Monday through Friday with the exception of the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Those hours not designated as On-Peak are defined as Off-Peak. Other rate periods are as defined in the customer's OASC, i.e., S.C. Nos. 8, 9 or 12.

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

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Rule 4). See SBC Statement.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). See TSAS Statement.

**REVENUE DECOUPLING MECHANISM ("RDM"):**

A customer billed at OASC as provided in this Service Classification shall be subject to a Revenue Decoupling Adjustment (as explained in this Schedule, General Information Rule 7). See RDM Statement. The RDM Adjustment for the customer's OASC shall apply.

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):** The RAM shall be applied per As Used Demand delivered under this Service Classification, (as explained in this schedule, General Information Rule 38). See RAM Statement.

**MERCHANT FUNCTION CHARGE:**

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply. Customers whose electricity is supplied by an ESCO are not charged for this service.

**MINIMUM CHARGE:**

The minimum charge per month for service under this Service Classification is the Contract Demand Charge if applicable, plus the Customer Charge and the Bill Issuance Charge, if applicable, as listed above. For demand-billed customers with less than 50 kW Contract Demand, the minimum charge is the Customer Charge, plus the Bill Issuance Charge, if applicable.

**INCREASE IN RATES and CHARGES:**

The rates and charges under this Service Classification, including the minimum charge, shall be increased by a surcharge pursuant to General Information Rule 6 of this Schedule to reflect the taxes applicable within the municipality where the customer takes service.

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



SERVICE CLASSIFICATION NO. 11 (Continued)

**METERING AND COMMUNICATION REQUIREMENTS: (CONT'D.)**

3. Meter Credits: (Cont'd.)

c) Customers That Have Fully Paid for Meter and Instrument Transformation Costs: A demand billed customer taking service under these standby rates that has fully paid for their meter and instrument transformation costs shall receive a monthly credit to the currently applicable monthly Customer Charge as well as a portion of the standby service transition dollars allocated for collection in the Customer Charge.

Below are the customer credits:

<b>Customer Charge Credit</b> Delivery Charge	S.C. 2	S.C. 3P	S.C. 3S	S.C. 7-1	S.C. 7-2	S.C. 7-3	S.C. 7-4
Effective Date 07/01/16	\$1.23	\$30.63	\$38.54	\$3.02	\$25.48	\$55.37	\$284.89
Effective Date 05/01/17	\$1.23	\$30.63	\$38.54	\$3.02	\$25.48	\$55.37	\$284.89
Effective Date 05/01/18	\$1.23	\$30.63	\$38.54	\$3.02	\$25.48	\$55.37	\$284.89

**ELECTRICITY SUPPLY**

A Customer taking service under S.C. No. 11 shall have the choice of the following Supply Service Options for its Electricity Supply:

For customers whose OASC is Service Classification No. 1, 6, 8, 9, or 12:

1. ESCO Supply Service (ESS); or
2. NYSEG Supply Service (NSS)

For a customer whose OASC is Service Classification No. 2, 3, or a Service Classification No. 7:

1. ESCO Supply Service (ESS); or
2. NYSEG Supply Service (NSS); or
3. Hourly Pricing\*

\* As set forth in General Information Section 25.I.F., Customer Eligibility Criteria, certain demand billed customers are required to participate in Mandatory Hourly Pricing.

Terms and conditions applicable to these rate choices are explained in the customer's OASC. All customers served under this Service Classification taking electricity supply service from the Company shall be required to pay a Merchant Function Charge as set forth in the customer's OASC.

**INTERCONNECTION REQUIREMENTS**

1. A customer may connect an OSG facility for parallel operation with the Company's delivery system, or isolate for operation with standby service provided by a wholesale generator by means of a double throw transfer switch, or another transfer switching scheme acceptable to the Company.

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SERVICE CLASSIFICATION NO. 11 (Continued)

**SPECIAL PROVISIONS (CONT'D.)**

(d) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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SERVICE CLASSIFICATION NO. 11 (Continued)

(d) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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SERVICE CLASSIFICATION NO. 11 (Continued)

(d) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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SERVICE CLASSIFICATION NO. 11 (Continued)

(d) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Leaf No. 294.7  
Revision: 4  
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SERVICE CLASSIFICATION NO. 11 (Continued)

(d) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Leaf No. 294.8  
Revision: 3  
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 11 (Continued)

(d) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Leaf No. 294.9  
Revision: 3  
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SERVICE CLASSIFICATION NO. 11 (Continued)

(d) Reserved for Future Use



PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Leaf No. 294.10  
Revision: 2  
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SERVICE CLASSIFICATION NO. 11 (Continued)

(d) Reserved for Future Use

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Leaf No. 294.11  
Revision: 2  
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 11 (Continued)

(d) Reserved for Future Use

SERVICE CLASSIFICATION NO. 11 (Continued)

**(d) Reserved for Future Use**

**(e) Recharge New York (“RNY”) Power Program**

Customers who qualify for the Recharge NY Power Program pursuant to Section 11 of the General Information Section of this Schedule, shall have such power billed in accordance with the provision therein as provided in Section 11, the maximum metered demand shall be used in the load share calculation for all standby customer. The customer's power requirements in excess of the RNY Power allocation shall be billed in accordance with the ESCO Supply Service rate or the NYSEG Supply Service rate of this Service Classification applicable to the customer's otherwise applicable service classification.

**(f) Reliability Credit**

1. Standby Customers shall be provided an opportunity to earn credits against their contract demand charges. The credit would be earned by reliably reducing load below the contract demand over a defined Measurement Period.
2. For purposes of this Credit, the Measurement Period is weekdays from 7:00 am to 10:00 pm during the previous two consecutive full Summer periods; provided however, that the first year in which a Customer seeks a Credit, the Measurement Period is weekdays from 7:00 am to 10:00 pm during the previous full Summer period only. The Measurement Period shall exclude Outage Events, as selected by the Customer, as well holidays (i.e., Independence Day (observed) if it falls on a weekday and Labor Day).

For purposes of this Credit, the Summer Period is June 15 through September 15.

3. Outage Events are up to three time blocks for each Summer Period that, in aggregate, are comprised of no more than five 24-hour time periods, excluding weekends and holidays. If a time block contains a time period of less than 24 hours, the time period will be rounded up to the next 24 hours (i.e., the 24-hour periods cannot be applied on a partial basis). If a time block encompasses a holiday or weekend, the start of the 24-hour period on the day prior to the holiday or weekend until the same hour the next business day will be considered to be a single 24-hour period.
4. The Credit for any Measurement Period will be equal to the difference between the Customer's Contract Demand in kW, and the Customer's highest kW demand recorded on the Customer's revenue meter (net of generation), multiplied by the Contract Demand Delivery Charge per kW that is in effect on October 1 of the year in which the Credit is determined. The Credit will be applied to the Customer's successive 12 monthly customer bills commencing in November until the following October.
5. A customer seeking a Credit must request such credit by October 1 of each year for which the Credit it sought and, at the same time, specify the Outage Events the Customer requests to be excluded from the measurement period. If October 1 falls on a weekend or holiday, the Company will accept requests until the next business day. Prior to October 1, the Company shall notify Customers of their need to request the applicable Credit.
6. Credits provided to standby customers shall be recovered from all customers, including standby customers, through the applicable Transition Charge [Non-Bypassable Charge [“NBC”]].

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 Superseding Revision: 10

SERVICE CLASSIFICATION NO. 12 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS:**

Pursuant to General Information Section 25, Supply Service Options, customers served under this Service Classification shall choose from different electric rate choices offered by the Company as described below. The Company shall offer a Retail Access rate choice and a Non-Retail Access rate choice.

The Retail Access choice is the ESCO Supply Service (ESS). The Non-Retail Access choice is the NYSEG Supply Service (NSS).

*The Company shall provide Delivery Service regardless of the customer's Supply Service Option.*

**1. ESCO Supply Service (ESS)**

This Retail Access choice includes fixed charges for NYSEG delivery service and a Transition Charge (Non-Bypassable Charge ["NBC"]). Supply service shall be provided by an Energy Services Company (ESCO). Customers that elect ESS and receive a Consolidated Bill shall not be subject to the Bill Issuance Charge.

RATE: (Per Meter, Per Month)

Delivery Service:

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$24.11	\$24.11	\$24.11
<b>Energy Charge</b> (All kWh, per kWh)			
On-Peak Service	0.03551	0.03749	0.03951
Mid-Peak Service	0.03551	0.03749	0.03951
Off-Peak Service	0.03551	0.03749	0.03951

Transition Charge (Non-Bypassable Charge ["NBC"]):

All kWh, per kWh See Transition Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kWh, per kWh See RAM Statement, as described in Rule 38

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Leaf No. 299  
 Revision: 11  
 Superseding Revision: 9

SERVICE CLASSIFICATION NO. 12 (Continued)

**SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS: (Cont'd.)**

**3. NYSEG Supply Service (NSS)**

This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge (Non-Bypassable Charge ["NBC"]), a fluctuating commodity charge for electricity supplied by the Company, and a Merchant Function Charge.

RATE: (Per Meter, Per Month)

	Effective Date		
	07/01/16	05/01/17	05/01/18
<b>Customer Charge</b>	\$24.11	\$24.11	\$24.11
<b>Energy Charge</b> (All kWh, per kWh)			
On-Peak Service	0.03551	0.03749	0.03951
Mid-Peak Service	0.03551	0.03749	0.03951
Off-Peak Service	0.03551	0.03749	0.03951

Transition Charge (Non-Bypassable Charge ["NBC"])

All kWh, per kWh See Transition Charge Statement

Commodity Service

The charge for Electric Power Supply provided by the Company shall fluctuate each month as further described in General Information Section 25.I.C., Calculation of the Commodity Charge.

Merchant Function Charge

All kWh, per kWh See Merchant Function Charge Statement

Bill Issuance Charge (per bill):

\$0.81, as described in General Information Section 16.J.

Rate Adjustment Mechanism ("RAM"):

All kWh, per kWh See RAM Statement, as described in Rule 38

PSC No: 120 - Electricity  
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Leaf No. 300  
Revision: 27  
Superseding Revision: 26

SERVICE CLASSIFICATION NO. 12 (Continued)

**MERCHANT FUNCTION CHARGE:**

The Merchant Function Charge reflects the administrative costs of obtaining electricity supply, as further explained in General Information Rule 25.D. Customers whose electricity is supplied by an ESCO are not charged for this service.

**MINIMUM CHARGE:**

The minimum charge for service under this Service Classification is the monthly Customer Charge plus the Bill Issuance Charge, if applicable, as listed above.

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

A surcharge shall be added to each customer bill for service under this Service Classification to collect the System Benefits Charge (as explained in this Schedule, General Information Rule 4). See SBC Statement.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). See TSAS Statement.

**REVENUE DECOUPLING MECHANISM ("RDM"):**

A customer taking service under this Service Classification shall be subject to a Revenue Decoupling Adjustment (as explained in this Schedule, General Information Rule 7). See RDM Statement

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):**

The RAM shall be applied per kWh to all kWh delivered under this Service Classification (as explained in this schedule, General Information Rule 38). See RAM Statement.

**INCREASE IN RATES AND CHARGES:**

The rates and charges under this service classification, including minimum charges, shall 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 "unit prices" 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 of 1½% per month shall be billed on all amounts not paid by that date. (Further details in Section 4-B of P.S.C. No. 119 - Electricity or superseding issues thereof.)

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

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Leaf No. 310  
Revision: 24  
Superseding Revision: 23

SERVICE CLASSIFICATION NO. 13 (Continued)

SERVICE AGREEMENT: (Cont'd)

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

A System Benefits Charge (as explained in this Schedule, General Information Rule 4) shall be added to each customer bill, as set forth in, and as permitted by, the individual Service Agreement, under this Service Classification. See SBC Statement.

SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). See TSAS Statement.

SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

RATE ADJUSTMENT MECHANISM ("RAM"):

The RAM shall be applied per kW to all kW delivered under this Service Classification, (as explained in this schedule, General Information Rule 38). See RAM Statement.

INCREASE IN RATES AND CHARGES:

The rates and charges under this service classification shall 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.

COMPETITIVE METERING OPTION:

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

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 Service Agreement shall be billed on all amounts not paid by that date.

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

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
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Revision: 25  
Superseding Revision: 24

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SERVICE CLASSIFICATION NO. 14 (Continued)

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

A System Benefits Charge (as explained in this Schedule, General Information Rule 4) shall be added to each customer bill, as set forth in, and as permitted by, the individual Service Agreement, under this Service Classification. See SBC Statement.

**SURCHARGE TO COLLECT TEMPORARY STATE ASSESSMENT ("TSAS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Temporary State Assessment (as explained in this Schedule, General Information Rule 28). See TSAS Statement.

**SURCHARGE TO COLLECT RELIABILITY SUPPORT SERVICES ("RSS"):**

A surcharge shall be added to each customer bill for service under this Service Classification to collect the Reliability Support Services (as explained in this Schedule, General Information Rule 3). See RSS Statement.

**RATE ADJUSTMENT MECHANISM ("RAM"):**

The RAM shall be applied per kW to all kW delivered under this Service Classification (as explained in this schedule, General Information Rule 38). See RAM Statement.

**COMPETITIVE METERING OPTION:**

For Service Agreements negotiated after March 1, 2001, the Company shall not require as a condition of contract, that a customer obtain its electric metering services from the Company. A customer whose Service Agreement allows and who otherwise qualifies for the Company's Competitive Metering Option pursuant to General Information Section 14 of this Schedule, shall 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 shall 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 Service Agreement shall 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 Company and the Customer, as defined within the Individual Electric Service Agreement.

The term of standard Company-offered commodity service supplied by the Company 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 Company 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 Company for any obligations the Company has, or any damages the Company incurs, to a commodity supplier or provider of a financial hedge relating to that price.

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



PSC NO: 120 – Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: July 1, 2016  
Issued in compliance with Order in Case 15-E-0283 dated June 15, 2016

Statement Type: DISC  
Statement Number: 9

### Purchase of ESCO Accounts Receivable (POR) Discount

Electric accounts receivable will be purchased at a discount off face value of the ESCO receivable.

Discount      2.29%

### Merchant Function Charge Statement

For customers taking service under the NYSEG Supply Service (NSS) rate or Hourly Pricing with supply provided by NYSEG, pursuant to NYSEG's Supply Service Options, General Information Section 25 of Schedule PSC No. 120 - Electricity, the following Merchant Function Charge is applicable to energy supplied [all kilowatt-hours (kWhs)] under the service classifications listed below.

	Non-Demand billed (Hedged) \$ per kWh	Non-Demand billed (Non-Hedged) \$ per kWh	Demand billed \$ per kWh
Monthly Electric Supply Cost	\$0.046509	\$0.046509	\$0.037829
Uncollectible Factor	<u>1.40290%</u>	<u>1.40290%</u>	<u>0.18920%</u>
1 Uncollectible Charge ( Monthly Electric Supply Cost * Uncollectible Factor)	\$0.000652	\$0.000652	\$0.000072
2 Working Capital - Purchase Power	\$0.000170	\$0.000170	\$0.000170
3 Working Capital - Commodity Hedges	\$0.001029	-	-
4 Credit & Collections and Call Center	\$0.000602	\$0.000602	\$0.000602
5 Administrative Charge	\$0.001463	\$0.001463	\$0.001463
6 Prior Period Reconciliation	<u>\$0.000481</u>	<u>\$0.000481</u>	<u>\$0.000069</u>
<b>Total MFC Rate per kWh</b>	<b>\$0.004397</b>	<b>\$0.003368</b>	<b>\$0.002376</b>

For further information regarding the Merchant Function Charge see General Information Section 25 of PSC No. 120 - Electricity.

Service Classification Nos. 1, 5, 6, and 9 will be billed the "Non-Demand billed (hedged)" MFC rate.

Service Classification Nos. 8 and 12 will be billed the "Non- Demand billed (non-hedged)" MFC rate.

All Street Lighting Service Classifications ( Nos. 1, 2, 3, and 4) will be billed the "Non Demand billed (hedged)" MFC rate.

Service Classification Nos. 2, 3, and 7 will be billed the "Demand billed" MFC rate.

For Service Classification Nos. 11, 13, and 14, the customer's otherwise applicable service classification will determine the applicable MFC.