PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: September 26, 2010

Leaf No. 211

Revision: 1

Superseding Revision: 0

Issued in compliance with Order in Case 09-E-0715 dated September 21, 2010

SERVICE CLASSIFICATION NO. 7

APPLICABLE TO THE USE OF SERVICE FOR:

Large General Service (Primary and Secondary) with Time-of-Use Metering for any customer with a billing demand equal to or greater than 500 KW during any two of the previous twelve months and for continuing service thereafter.

Also optional for:

This option is not available to Service Classification No. 2 customers, effective December 3, 2002.

Customers who qualify under the Economic Development Incentive or the Economic Development "Zone" Incentive Provision of the General Information Section of this Schedule;

Customers who qualify under the Controlled Load Service Option of Service Classification No. 3;

Customers who qualify under the Agricultural Customers Time-of-Use Service Option of Service Classification No. 2.

Note:

Other than as set forth above, this service classification is not available to customers otherwise eligible for Residential Service, unless the size and/or nature of the customer's load or its impact on our system requires three phase service.

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, 34,500 or 46,000 Volts; or

Subtransmission Service* at 34,500 or 46,000 (Both Non-Regulated) Volts; and 34,500 (Regulated) Volts for "Grandfathered Customers" only*; or

Transmission Service at 115,000 Volts and above.

Single or Three Phase. (Characteristics depend upon available circuits and equipment.)

* Effective September 26, 2010, Subtransmission Service will no longer be available to new service locations. However, grandfathering at the subtransmission rates contained herein will apply to the service location of the current subtransmission class customer, including the site as well as the existing buildings where the customer was taking Subtransmission Service before September 26, 2010. Grandfathering is applicable to any new owner acquiring possession of a grandfathered service location, as long as that customer meets the qualification criteria for grandfathered Subtransmission Service above. The grandfathering may apply to facility replacements and or expansions by customers taking grandfathered Subtransmission Service, if accomplished through existing subtransmission metering points at the service location.

RATE PERIODS:

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.

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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Superseding Revision: 15

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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 <u>Delivery Service</u> 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				
VOLTAGE SECONDARY	07/01/16	09/01/16	05/01/17	05/01/18	
S.C. 7-1 DISTRIBUTION					
Customer Charge	\$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	
Demand Charge					
On-Peak Service	\$8.17	\$8.14	\$8.54	\$8.94	
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00078	\$0.00078	\$0.00078	\$0.00078	

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

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"):

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: July 1, 2016

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Revision: 14

Superseding Revision: 12

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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			
VOLTAGE PRIMARY	07/01/16	09/01/16	05/01/17	05/01/18
S.C. 7-2 DISTRIBUTION				
Customer Charge	\$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
Demand Charge				
On-Peak Service	\$6.75	\$6.64	\$6.97	\$7.30
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00078	\$0.00078	\$0.00078	\$0.00078

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

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

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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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			
VOLTAGE PRIMARY	07/01/16	09/01/16	05/01/17	05/01/18
S.C. 7-3 SUBTRANSMISSION				
Customer Charge	\$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	\$15.56	\$15.56	\$15.56	\$15.56
(Meter Reading)				
Demand Charge				
On-Peak Service	\$2.07	\$1.95	\$2.04	\$2.14
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00078	\$0.00078	\$0.00078	\$0.00078

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

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"):

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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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				
VOLTAGE PRIMARY	7/01/16	09/01/16	05/01/17	05/01/18	
S.C. 7-4 TRANSMISSION					
Customer Charge	\$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	
Demand Charge					
On-Peak Service	\$0.80	\$0.76	\$0.79	\$0.83	
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00078	\$0.00078	\$0.00078	\$0.00078	

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

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"):

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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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"):

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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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	SUPPLY SERVICE OPTIONS for customers having a billed demand as set forth above and began receiving the Economic Incentive on or after January 1, 2007		
	Electricity Supply Pricing Options for the load not receiving the incentive Electricity Supply Pricing Options for 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.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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Revision: 15

Superseding Revision: 14

SERVICE CLASSIFICATION NO. 7 (Continued)

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

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

<u>Voluntary</u>: (Cont'd.)

Additionally, Hourly Pricing is voluntary to a customer that is participating in any of the Company's Economic Incentives that received the Economic Incentive beginning on or prior to December 31, 2006, and would have otherwise qualified for Mandatory Hourly Pricing until the term of the customer's Economic Incentive expires. The customer must choose the same Supply Service Option for its incentive, non-incentive load and any future load. Upon the conclusion of their participation in the Economic Incentive, the customer will be subject to Mandatory Hourly Pricing and have two supply options, ESS or Hourly Pricing option, as described below.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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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.

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. 7 (Continued)

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

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

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

2. NYSEG Hourly Day-Ahead Market Pricing Option ("Hourly Pricing") (Cont'd.)

Electricity Supply Charge: All kilowatthours, per kilowatthour

Customers served under this provision shall be charged for the energy component of supply based on their hourly metered usage and the hourly supply cost. The electricity supply charge is equal to the sum of the hourly metered usage multiplied by the New York Independent System Operator (NYISO) Day-Ahead Market (DAM) Location Based Marginal Price (LBMP) for the Zone in which the customer is electrically connected, adjusted for system losses (in table below), ancillary services, NTAC, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, and Supply Adjustment Charge. Capacity charges shall also be based on interval meter data. The DAM LBMP prices shall be the initial published DAM LBMP prices acquired by the Company. The customer's bill shall not be recalculated if such prices are modified by the NYISO at a later date.

Distribution loss factor:

Voltage Level	Service Classification	Energy Loss Factor
Transmission	7-4	1.0000
Subtransmission	7-3	1.0150
Primary	7-2	1.0377
Secondary	7-1	1.0728

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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Superseding Revision: 3

SERVICE CLASSIFICATION NO. 7 (Continued)

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

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

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

2. NYSEG Hourly Day-Ahead Market Pricing Option ("Hourly Pricing") (Cont'd.)

Electricity Capacity Charge: per month

The capacity and capacity reserves are specific to the customer. When hourly data is not available the appropriate service class profile will be used to determine the customer's capacity responsibility. A new capacity responsibility amount will be established for each customer each April. Customers new to Hourly Pricing that begin the service prior to April will be assigned their capacity responsibility based on their service class profile until the first April where the required hourly data is available.

Capacity Charge = UCAP Charge + Demand Curve Reserve Charge

$$UCAP\ Charge = ((UCAP_{req} * L_c) * (1 + Reserve_{req})* \ Price_{monthlyauc})$$

 $UCAP_{req}$ = The customer specific demand that occurred at the time of the New York system peak of the prior year. When the customer specific information is not available the appropriate service class profile information will be used.

L_c = Capacity loss factor:

Voltage Level	Service Classification	Capacity Loss Factor
Transmission	7-4	1.0000
Subtransmission	7-3	1.0200
Primary	7-2	1.0480
Secondary	7-1	1.0738

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

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

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

 $UCAP_{req} = Described above.$

 L_c = See table above.

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

Price_{spotauc} = Monthly NYISO auction price.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

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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.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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Revision: 8

Superseding Revision: 6

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SERVICE CLASSIFICATION NO. 7 (Continued)

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 monthly Customer Charge as listed above plus the Bill Issuance Charge, if applicable, or unless 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 NYSEG's Service Classification No. 11 is described in the "DETERMINATION OF DEMAND" section.

REVENUE DECOUPLING MECHANISM ("RDM"):

A customer taking service under this Service Classification shall be subject to a Revenue Decoupling Mechanism adjustment as explained in this Schedule, General Information Section 7. Customers taking Transmission service (SC 7-4) are excluded from the RDM. See RDM Statement

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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Superseding Revision: 26

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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.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

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Revision: 5

Superseding Revision: 4

Effective date POSTPONED to August 1, 2014. See Supplement No. 32

SERVICE CLASSIFICATION NO. 7 (Continued)

DETERMINATION OF DEMAND: (Cont'd.)

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 will pay a minimum demand charge as described in the Company's Service Classification No. 11. Customers will 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 will 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 will only pay the contract demand charge in that month. If it is less than the demand charge in this service classification, then the customer will 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 kilowatt hours.

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 will be the reactive kilovolt-ampere hours in excess of one-fourth of the metered kilowatt-hours.

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 one and one-half percent $(1 \ 1/2\%)$ per month will 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' 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. Time-of-use metering and billing will continue even if the customer's demands should remain below 500 KW and as set forth in Special Provision (e) herein.

VOLTAGE OPTION:

Customers taking service at other than the stated Secondary Voltages shall furnish and maintain the necessary transformer substation.

At the discretion of the Company, metering for Transmission Service may be on the secondary side of the customer's transformers and calculated transformer losses will be added to measured demand and energy prior to billing. When metering is on the secondary side of the customer's transformers, no load transformer losses will be based on manufacturer's published data for customer's transformer, or equivalent, assuming 730 hours per month. Load losses based on manufacturer's published data for customer's transformer, or equivalent, will be determined by multiplying metered demand and metered energy, respectively, by individually calculated factors developed in accordance with generally accepted engineering principles assuming 730 hours per month and taking cognizance of full load capacity of the customer's transformer, the customer's average peak load and the load factor and average power factor of the load. Such factors will be reviewed annually or as load changes require.

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New York State Electric and Gas Corporation

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Revision: 1

Superseding Revision: 0

Effective date postponed to 02/01/06. See Supplement No. 4.

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS:

(a) 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.

(b) Submetering:

Submetering may be available according to certain conditions as explained in the General Information leaves of this Schedule, Section 2. Submetering.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: January 1, 2010

Leaf No. 224

Revision: 3

Superseding Revision: 1

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(c) Reserved for Future Use

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: July 1, 2016

Leaf No. 225

Revision: 2

Superseding Revision: 0

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

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

Reserved for Future Use

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: July 1, 2016

Superseding Revision: 9

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

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: Reserved for Future Use

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: July 1, 2016

Leaf No. 227

Revision: 8

Superseding Revision: 6

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

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).

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Revision: 24

Initial Effective Date: August 12, 2016

Leaf No. 228

Revision: 24

Superseding Revision: 23

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

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. 7-2shall 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		
VOLTAGE SECONDARY	07/01/16	05/01/17	05/01/18
S.C. 7-1 DISTRIBUTION			
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	\$5.98	\$5.98	\$5.98
(Meter Reading)			
Demand Charge	\$7.23	\$7.21	\$7.18
On-Peak Service			
Reactive Charge 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: August 12, 2016

Leaf No. 229

Revision: 22

Superseding Revision: 21

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

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			
VOLTAGE PRIMARY	07/01/16	05/01/17	05/01/18	
S.C. 7-2 DISTRIBUTION				
Customer 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	\$17.94	\$17.94	\$17.94	
(Meter Reading)	φ17.94	\$17.54	φ17.9 4	
Demand Charge				
On-Peak Service	\$6.75	\$6.97	\$7.30	
Reactive Charge 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

Leaf No. 230

Revision: 24

Superseding Revision: 23

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

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

Initial Effective Date: July 1, 2016

Superseding Revision: 19

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

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

Reserved for Future Use

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: January 1, 2010

Leaf No. 232

Revision: 8

Superseding Revision: 7

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: (Cont'd)

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

Reserved for Future Use

Issued in compliance with order in Case No. 09-E-0227 dated 09/28/09.

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: January 1, 2010

Leaf No. 233

Revision: 9

Superseding Revision: 8

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

(d) Economic Incentives: (Cont'd)

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

Reserved for Future Use

Issued in compliance with order in Case No. 09-E-0227 dated 09/28/09.

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

Leaf No. 234

Revision: 5

Superseding Revision: 3

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

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

Leaf No. 235

Revision: 2

Superseding Revision: 0

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

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

Leaf No. 236

Revision: 9

Superseding Revision: 7

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

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: November 1, 2011

Leaf No. 237

Revision: 7

Superseding Revision: 6

Issued in compliance with order in Case 11-E-0176 dated September 19, 2011.

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) (6) 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, will have such power billed in accordance with the provision therein. The customer's power requirements in excess of the RNY Power allocation will 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.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: July 1, 2016

Leaf No. 238

Revision: 5

Superseding Revision: 3

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

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

Leaf No. 239

Revision: 2

Superseding Revision: 0

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

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

Leaf No. 240

Revision: 2

Superseding Revision: 0

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

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

Leaf No. 241

Revision: 2

Superseding Revision: 0

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

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 and Gas Corporation

Revision: 2

Initial Effective Date: November 1, 2009

Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(d) (9) High Load Factor Manufacturer Power ("HLFM") (Cont'd.)

Unit Price

RATE: (Per Month)

The Customer Charge Per Meter is set forth in the non-special provision rates section of this service classification.

Delivery Charge - All kilowatts, per kW (applied to the customer's monthly NYPA Billing Demand, adjusted for losses)
On-Peak

Transmission

NYSEG's then applicable OATT service rate (subject to FERC review, acceptance or approval)

Additional Charge for service below 34.5 kV

Primary Secondary \$3.81

\$ 4.32

Demand Charge - All kilowatts, per kW (applied to the customer's monthly NYPA Billing Demand, adjusted for losses)

NYSEG will charge the customer for a NYPA Demand Charge for HLFM service subject to the execution of an agreement with NYPA for HLFM service.

Energy Charge - per kWh (applied to the customer's monthly NYPA Billing Energy, adjusted for losses)

NYSEG will charge the customer a NYPA Energy Charge for HLFM service subject to the execution of an agreement with NYPA for HLFM service.

Reactive Charge: *

Reactive kilovolt-ampere hours,

per billing reactive kilovolt-ampere hours

\$0.00095

HLFM customers may obtain energy loss compensation service, Operating Reserve - Spinning Reserve Service, and Operating Reserve - Supplemental Reserve Service (collectively referred to as "voluntary ancillary services") from NYPA or another supplier other than NYSEG. If such HLFM customer chooses to obtain the voluntary ancillary services from NYSEG, they will be provided at the rates and charges included in the then effective OATT, or for loss compensation services at rates and terms mutually agreed upon by NYSEG and such customer.

Other Billing Adjustments:

Increase in Rates applicable to Municipality where service is supplied shall be applied to the amounts billed.

Billing:

Billing provisions related to HLFM service will be subject to the execution of an agreement by the Corporation with NYPA related to the provision of HLFM service.

Issued in compliance with order in Case No. 08-E-0751 dated 09/22/09.

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

^{*} Effective 05/01/2010, the Reactive Charge will be \$0.00078.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: September 9, 2016

Leaf No. 243

Revision: 16

Superseding Revision: 15

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

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

Leaf No. 243.1

Revision: 6

Superseding Revision: 4

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

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

Reserved for Future Use

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: August 12, 2016

Leaf No. 243.2

Revision: 11

Superseding Revision: 10

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

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.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: August 12, 2016

Leaf No. 243.3

Revision: 4

Superseding Revision: 3

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

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

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

VOLTAGE SECONDARY	Effective Date		
S.C. 7-1 DISTRIBUTION			
	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

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Revision: 7

Initial Effective Date: July 1, 2016

Superseding Revision: 6

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

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

New York State Electric and Gas Corporation

Initial Effective Date: December 1, 2008

Leaf No. 244

Revision: 2

Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

- (h) Industrial/High Load Factor ("I/HLF") Rate Provision:
 - (1) 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 NYSEG's Economic Development Incentive, Economic Development Zone Incentive, New York Power Authority (NYPA) programs (Expansion Power, Economic Development Power, Power for Jobs, Replacement Power, High Load Factor Manufacturer and Preservation Power), Interruptible Service or S.C. 14 may take service under this rate provision, only for that portion of their load served at NYSEG'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.

Any customer taking service under the Economic Revitalization Incentive and choosing instead to take service under this Rate Provision, must have met or agrees to continue to meet its Economic Revitalization commitments.

Recipients of NYSEG 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:

Eligibility will be determined based on the total metered demand and energy excluding the NYPA portion of that metered amount.

(i) Industrial Rate Provision:

Applicable to new or existing Industrial customers' accounts (NYSEG's Revenue Class 30) as defined in Division "D" of the Standard Industrial Classification Manual that are engaged in manufacturing (SIC Major Codes 20-39) or mining (SIC Major Codes 10-14), and that have an average annual demand of 500 kilowatts or greater during the previous 12 months. Average annual demand for this provision is calculated as follows:

D/M

- D = Annual demands. For existing customers this will be the sum of the actual billed on-peak demands during the most recent 12 consecutive months. For new customers or customers with incomplete history, the 12 months of on-peak demand will be estimated by the Corporation from engineering and operating estimates to fit within the annual time period.
- M = Total number of billing months. For existing customers this will be the sum of the actual number of billing periods during the most recent 12 consecutive months. For new customers with 12 estimated demands this will be 12.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: December 1, 2003

Leaf No. 245

Revision: 0

Superseding Revision:

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

- (h) Industrial/High Load Factor Rate Provision (Cont'd.):
 - (2) Eligibility (Cont'd.)
 - (ii) High Load Factor Rate Provision:

Applicable to an existing customer's account having an annual load factor of 68.0% or greater (approximately 500 hours' average use of kW demand per month). Also applicable to a new customer's account with an estimated annual load factor of 68.0% or greater. Annual load factor for this provision is calculated as follows:

A/(D*H)

- A = Annual kWh. For existing customers this will be the actual total energy usage billed during the most recent 12 consecutive months. For new customers or customers with incomplete history, the annual usage will be estimated by the Corporation from engineering and operating estimates to fit within the time period.
- D = Maximum demand. For existing customers this will be the highest billed on-peak demand during the most recent 12 consecutive months. For new customers or customers with incomplete history, the demand will be estimated by the Corporation from engineering and operating estimates to fit within the time period.
- H = Number of total hours in the annual billing period.

Any customer taking service under the Business Retention Incentive or the Economic Revitalization Incentive may, if otherwise qualified, choose instead to take service under this Rate Provision, provided that the customer has met or agrees to continue to meet its Business Retention or Economic Revitalization commitments.

(3) Rate Qualification Review:

Each account will be reviewed annually to verify continued qualification, based on usage during the previous year. Such review shall occur 12 months after the initiation of this rate provision, and shall be repeated each year thereafter.

- (i) To maintain qualification for the Industrial provision, the average annual demand of a customer's account, as determined above, must be 500 kW or greater.
- (ii) To maintain qualification for the High Load Factor provision, the annual load factor for a customer's account, as determined above, must be 68.0% or greater.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: December 1, 2003

Leaf No. 246

Revision: 0

Superseding Revision:

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

- (h) Industrial/High Load Factor Rate Provision (Cont'd.):
 - (4) Allocation of Billing Units for Partial Load

Billing units (kW, kWh, rkvah) will be allocated between the Industrial/High Load Factor and Economic incentives or Interruptible portions of the customer's bill based on the following formulas:

(i) Economic Incentive

B = Billing kW
T = Total kWh
EKWH = Incented kWh
EKW = Incented kW
NKW = Non-incented kW

$$(EKWH/T) \times B = EKW$$

B - EKW = NKW

(ii) Interruptible Incentive

D = Maximum on-peak metered demand

C = Contract non-interruptible demand. This is the firm power contracted for by

the customer for use during periods of interruption.

A = Average interruptible hours per month (600/12=50)

H = Average number of hours per month (730)

IKW = Interruptible KW. This is the on-peak demand minus the contract non-

interruptible demand

R = Ratioed interruptible KW

K = KWH associated with the interruptible demand

T = Total KWH for the billing period

NKWH = Non-interruptible KWH (eligible for the Industrial/HLF discount)

(A / H) x IKW = R (R / D) x T = KT - K = NKWH PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: August 12, 2016

Leaf No. 247

Revision: 16

Superseding Revision: 15

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with the standard NSS rates for the Service Classification.

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

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
VOLTAGE SECONDARY				
SC 7-1 DISTRIBUTION				
Customer Charge	\$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	\$5.98	\$5.98	\$5.98	\$5.98
(Meter Reading)	Φ3.90	\$3.90	ψ3.96	φ3.70
Demand Charge				
On-Peak Service	\$7.97	\$8.14	\$8.54	\$8.94
Reactive Charge Reactive kilovolt-ampere hours, per	\$0.00078	\$0.00078	\$0.00078	\$0.00078
billing reactive kilovolt-ampere hour				

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

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Revision: 24

Initial Effective Date: August 12, 2016

Superseding Revision: 23

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

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			
VOLTAGE PRIMARY	07/01/16	09/01/16	05/01/17	05/01/18
SC 7-2 DISTRIBUTION				
Customer Charge	\$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	\$17.94	\$17.94	\$17.94	\$17.94
(Meter Reading)				
Demand Charge				
On-Peak Service	\$6.52	\$6.64	\$6.97	\$7.30
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt- ampere hour	\$0.00078	\$0.00078	\$0.00078	\$0.00078

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

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

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Revision: 2

Initial Effective Date: January 1, 2008

Leaf No. 248.1

Revision: 2

Superseding Revision: 0

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.)

Reserved for Future Use

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: August 12, 2016

Leaf No. 249

Revision: 24

Superseding Revision: 23

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

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			
VOLTAGE PRIMARY	07/01/16	09/01/16	05/01/17	05/01/18
SC 7-3 SUBTRANSMISSION				
Customer Charge	\$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	\$15.56	\$15.56	\$15.56	\$15.56
(Meter Reading)	\$13.30	\$13.30	\$13.30	\$13.30
Demand Charge				
On-Peak Service	\$1.89	\$1.95	\$2.04	\$2.14
Reactive Charge 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

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: January 1, 2008

Leaf No. 249.1

Revision: 2

Superseding Revision: 0

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.)

Reserved for Future Use

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: August 12, 2016

Leaf No. 250

Revision: 24

Superseding Revision: 23

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

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			
VOLTAGE PRIMARY	07/01/16	09/01/16	05/01/17	05/01/18
SC 7-4 TRANSMISSION				
Customer Charge	\$2,164.81	\$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	\$54.78	\$54.78	\$54.78	\$54.78
(Meter Reading)	\$34.78	\$34.76	\$34.78	\$34.76
Demand Charge				
On-Peak Service	\$0.73	\$0.76	\$0.79	\$0.83
Reactive Charge Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour	\$0.00078	\$0.00078	\$0.00078	\$0.00078

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

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

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: January 1, 2008

Leaf No. 250.1

Revision: 2

Superseding Revision: 0

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.)

Reserved for Future Use

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: January 1, 2010

Leaf No. 251

Revision: 20

Superseding Revision: 19

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.)
 - b. Reserved for Future Use

Issued in compliance with order in Case No. 09-E-0227 dated 09/28/09.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: January 1, 2008

Leaf No. 251.1

Revision: 2

Superseding Revision: 0

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.)

Reserved for Future Use

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Initial Effective Date: September 26, 2010

Leaf No. 252

Revision: 12

Superseding Revision: 11

Issued in compliance with Order in Case 09-E-0715 dated September 21, 2010

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.)

Reserved for Future Use

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: January 1, 2008

Leaf No. 253

Revision: 4

Superseding Revision: 2

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

Reserved for Future Use

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Revision: 4

Initial Effective Date: January 1, 2008

Superseding Revision: 2

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

Reserved for Future Use

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Revision: 2

Initial Effective Date: January 1, 2008

Leaf No. 254.1

Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

Reserved for Future Use

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: January 1, 2008

Leaf No. 254.2

Revision: 1

Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

Reserved for Future Use

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Revision: 2

Initial Effective Date: January 1, 2008

Leaf No. 254.3

Revision: 2

Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

Reserved for Future Use

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: January 1, 2008

Leaf No. 254.4

Revision: 1

Superseding Revision: 0

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd)

Reserved for Future Use

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

Revision: 5

Initial Effective Date: October 26, 2015

Leaf No. 255

Revision: 5

Superseding Revision: 4

Issued in compliance with Order in Case 15-E-0082 dated October 16, 2015

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

(k) C.A.\$.H.BACK Special Provision:

The Company shall provide a voluntary program for load normally supplied and delivered by the Company, for eligible customers to curtail load. The Company's program, entitled C.A.\$.H.BACK, implements the NYISO's day-ahead economic load-curtailment program. Under this program, a customer agrees to curtail load when their bid is submitted and accepted by the NYISO.

Customers who are qualified under C.A.\$.H.BACK in Section 21 of the General Information section of this Schedule may participate in the Company C.A.\$.H.BACK Program as set forth therein.

(1) 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. 7. If electricity (kWh) supplied by the customer to the Company is not metered for the time-differentiated periods, an allocation to each TOU period shall be done according to allocation factors as described herein. 47% of the excess electricity (kWh) supplied by the customer shall be considered On-Peak. 53% of the excess electricity (kWh) shall be considered Off-Peak.

(m) 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. 7. If electricity (kWh) supplied by the customer to the Company is not metered for the time-differentiated periods, an allocation to each TOU period shall be done according to allocation factors as described herein. 47% of the excess electricity (kWh) supplied by the customer shall be considered On Peak. 53% of the excess electricity (kWh) shall be considered Off Peak.

(n) 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. 7. If electricity (kWh) supplied by the customer to the Company is not metered for the time-differentiated periods, an allocation to each TOU period shall be done according to allocation factors as described herein. 47% of the excess electricity (kWh) supplied by the customer shall be considered On Peak. 53% of the excess electricity (kWh) shall be considered Off Peak.

(o) 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. 7.

(p) 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. 7.

(q) 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. 7.

(r) Community Distributed Generation Service Option:

This option is for a customer qualifying for the Community Distributed Generation Service Option pursuant to General Information Section 37 of this Schedule and taking service under S.C. No. 7.