

MESSAGE TO BUSINESSES

Companies statewide, nationwide and around the world are investing and expanding their operations in New York. Modern economies depend on reliable energy supplies and competitive prices for economic growth.

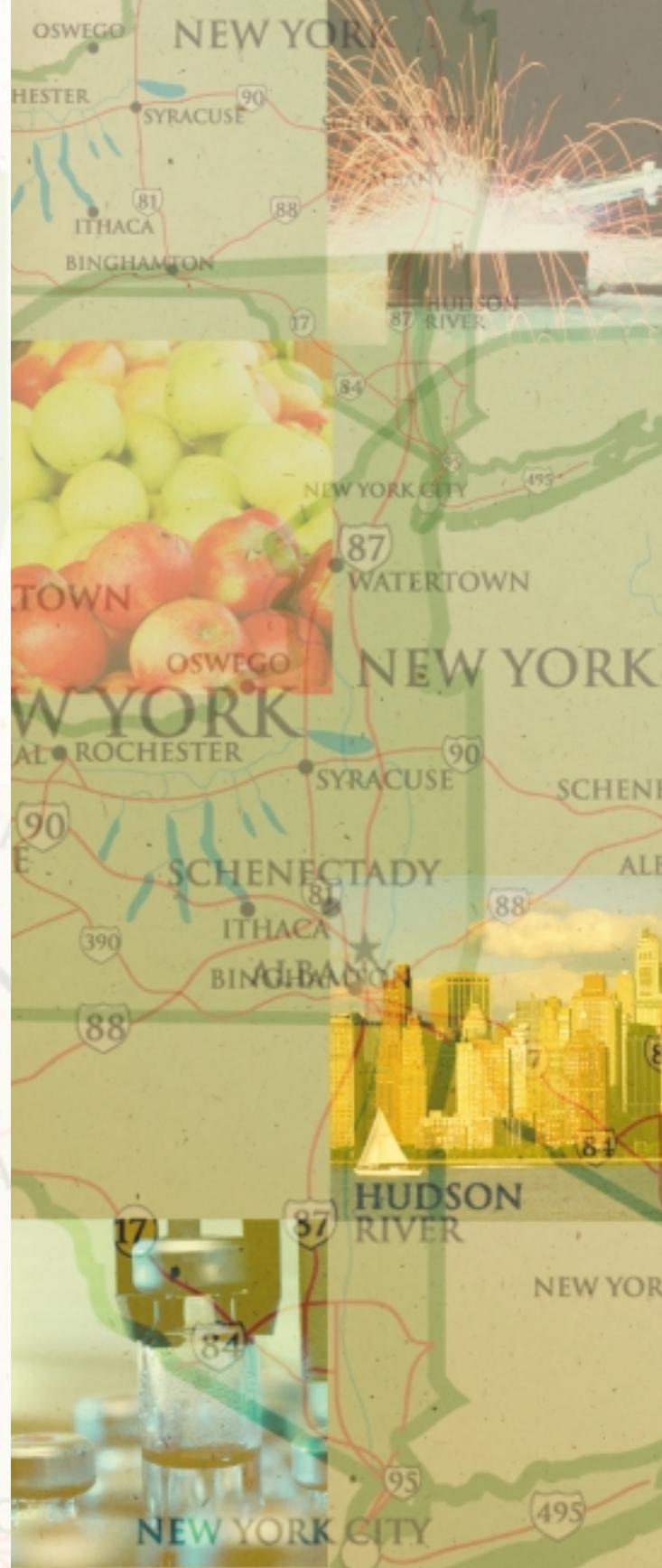
In the transition to competitive energy markets in New York, the Public Service Commission (PSC) has reduced rates, fostered economic development, ensured system reliability, and protected consumers. The Commission's efforts to restructure the State's monopoly electric industry and provide choice to customers, both small and large, delivered approximately \$4.4 billion in rate reductions since 1996. Rate reductions will increase to \$6 billion by the end of 2003.

To ensure an adequate and reliable supply of electricity, New York utilities have long-term contracts with energy suppliers, and the New York Power Authority recently installed 408 megawatts of new, state-of-the-art, environmentally friendly generation in New York City to avert power shortages and to moderate any potential price volatility.

New York needs to further increase its electric supply to fuel economic growth. Our positive competitive climate has resulted in numerous proposals for new, state-of-the-art, clean generating facilities that promise to assure long-term electric supply and reliability.

This brochure provides a guide to resources within New York State that offer savings programs that help businesses reduce energy costs and encourage economic growth. To get additional information and assistance on business incentive rates, dispute resolution, demand reduction programs and competitive energy suppliers, contact your utility or the PSC's Business Advocates at 1-877-661-9223 or e-mail: business_advocacy@dps.state.ny.us

William M. Flynn, Chairman
New York State Public Service Commission



ECONOMIC DEVELOPMENT ELECTRIC DISCOUNTS AVAILABLE IN NEW YORK STATE

	EMPIRE ZONE INCENTIVE	FLEXIBLE RATES DISCOUNTS	NEW YORK POWER AUTHORITY	OTHER
Niagara Mohawk	Available to SC-2, 3 and 3-A customers who meet Empire Zone eligibility and NIMO tariff requirements for up to a 10-year term. Discounts on delivery and transmission charges range from 50% to 80% depending on SC and voltage delivery level.	SC-12 provides special rate contract available to SC-2D, 3, 3-A and 4 customers for the purposes of retaining and attracting new customers who have competitive options.	<u>Economic Development Power</u> - Five to 15 year low-cost power for customers, except retail, hotel, or residential customers, that use at least 400kw monthly demand, build or expand facilities, and are willing to create jobs. <u>Power for Jobs</u> - Low-cost power for businesses and not-for-profits that staff, expand or relocate in NYS and commit to add or save jobs. New legislation has added an additional 183MW into the <u>Power for Jobs</u> program.	<u>Economic Development Fund</u> : New fund created to attract, expand or retain small commercial or industrial businesses.
NYSEG	Available to SC-2, 3, and 7 customers who meet Empire Zone eligibility criteria and NYSEG tariff requirements for a 10-year term, may receive a discount of 3.25¢ or 4¢, depending on location.*	SC-13 or 14 provides special rate contract to SC-2, 3, or 7 customers who demonstrate an economic or competitive alternative to NYSEG service.	See Above.	Following programs are available for SC-2, 3, or 7: <u>Economic Development Incentive</u> : Commercial and industrial customers, 5-year term. <u>Economic Revitalization Incentive</u> : Existing manufacturing customers, 5-year term. <u>Industrial Incubator Incentive</u> : Multi-tenant industrial incubator facility customers, not to exceed 5 years. <u>Business Retention Incentive</u> : Industrial and commercial customers. <u>Small Business Growth Incentive</u> : Commercial and industrial customers, also for SC-6 & 9. An <u>Economic Development Fund</u> has been created to attract, expand or retain small commercial or industrial businesses.
Central Hudson	Not applicable.	Not applicable.	See Above.	<u>Economic Revitalization Discount</u> : Industrial and commercial customers can receive SC-2 rates up to 5 years. An <u>Economic Development Fund</u> will be pursued to attract and retain jobs and other projects.
RG & E	Available to SC-2, 3, 7, 8 & 9 customers who meet Empire Zone eligibility criteria and RG&E tariff requirements for a 10-year term with discount up to 30%.	SC-10 or 11 provides special rate contracts to new or expanding business customers who demonstrate an economic or competitive alternative to locating in RG&E territory. A 10% economic development discount for a 5-year period is available or as negotiated.	See Above.	<u>Incremental Manufacturing Load Rate</u> : Fixed rate for qualified additional load until 6/30/02, applies to SC-2, 3, 7, 8, & 9.
O & R	Not applicable.	SC-23 provides special rate contracts to customers who demonstrate viable competitive alternatives. Customer must maintain minimum demand of 200kw during any 2 of the previous 12 months.	See Above.	<u>Economic Development Rate</u> : New and existing nonresidential customers for 10% discount on electric for 5-year period. Applies to SC-2, 3, 9, 20, 21 and 22.
Con Edison	Available to start, relocate or expand businesses in an Empire Zone in which Con Ed supplies gas.	Not applicable.	See Above. <u>World Trade Center</u> - Low-cost power up to 80MW available to assist with economic recovery. <u>Battery Park</u> - Low-cost power up to 375kw for public spaces and parks in the area.	<u>Business Incentive Rate</u> : Percentage discount on utility rates for new and existing customers in SC-4, 9, and 10 for 15-year period. <u>Industrial Employment Growth Credit</u> : For new or existing non-governmental industrial customers, percentage discount for mandatory time-of-use customers in SC-3, 4, 9, and 10.

(SC = Service Class) NOTE: The gross receipt tax on electricity bills has been eliminated for industrial customers and gradually reduced for commercial customers.