

PSC NO: 88 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
Initial Effective Date: 2/19/04

Leaf: 50.5
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

22. CREDITWORTHINESS: (CONT'D)

C. Credit Approval

- (1) A Marketer/Pool Operator/Aggregation Pool Operator /Direct Customer, upon notification by the Company that it has failed to satisfy the credit requirements or, subsequently, while providing service to retail customers, it no longer satisfies the credit requirements, may still obtain or retain credit approval from the Company if it pays any outstanding balance due the Company for service rendered and elects to provide mutually agreeable security to the Company. An illustrative list of security instruments is provided in the Gas Transportation Operating Procedures Manual.

D. Security Prepayment

If the Marketer/Pool Operator/Aggregation Pool Operator /Direct Customer's credit standing ceases to meet the Company's credit requirements or if its financial exposure changes due to increased usage during the period of service, then the Company has the right to require security or prepayment. If the security is not tendered within five (5) calendar days after the request, then the Company may initiate a process to discontinue the Marketer/Pool Operator/Aggregation Pool Operator/Direct Customer.

E. Deposit

If the Marketer/Pool Operator/Aggregation Pool Operator /Direct Customer subsequently satisfies the credit appraisal without the need for some or all of the security requirement, the Company will return the appropriate portion of the Marketer/Pool Operator/Aggregation Pool Operator Direct Customer's advance deposit with accumulated interest.

See Section 4 of the UBP Addendum in this Schedule. The terms ESCO, Marketer, Pool Operator, and Aggregation Pool Operator are used synonymously for purposes of this section.

23. CUSTOMER INFORMATION:

Rules and requirements for Customer Information are contained in Section 4 of the UBP Addendum in this Schedule.

Issued in compliance with orders in Case 98-M-1343 dated November 21, 2003 and Cases 99-M-0631 and 03-M-0117 dated December 19, 2003.

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