

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
Initial Effective Date: December 1, 2003

Leaf No. 90  
Revision: 0  
Superseding Revision:

#### GENERAL INFORMATION

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

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

8. Billing: (Cont'd.)

(f) Invoice Payments

i. Terms of Payment

Bills are payable upon presentation and are subject to late payment charges. ESCOs/DCs shall pay the full amount stated in the invoice, without deduction, set-off or counterclaim, within twenty (20) calendar days from the date of the invoice transmittal. NYSEG will fax invoices to the ESCO/DC. On the first day following the grace period, (e.g., the 21st day) late payment charges at the rate of one and one-half percent (1.5%) per month will be applicable to all overdue billed amounts, including arrears and unpaid late payment charges. Because an ESCO/DC or NYSEG may request expeditious resolution of a complaint or dispute by the Department of Public Service, bills remain due without deduction, set-off or counterclaim as a consequence of a complaint filed. NYSEG and ESCOs/DCs are permitted to, by mutual agreement, develop customized billing and collection arrangements. Claims that invoices are not correct must be made in writing and postmarked no more than three (3) months after the date on which such invoice is rendered.

ii. Payment Form

Payment for services shall be rendered to NYSEG by electronic funds transfer ("EFT"). NYSEG and ESCOs/DCs are permitted, by mutual agreement, to establish other forms of payment. Any applicable bank fees associated with the EFTs shall be assessed to and paid by the ESCO/DC.

iii. Application of Payments:

Unless otherwise agreed to by NYSEG and the ESCO/DC, payments will be applied first to arrears owed NYSEG, including interest owed thereon, and then to current NYSEG charges.

iv. Failure to Make Payment:

In addition to any rights or remedies NYSEG may have, upon failure of the ESCO/DC to make any payment when due, NYSEG may draw down on any security that may be available (as described in Section 16.E.7, Creditworthiness).

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