PSC NO.: 2 ELECTRICITY LEAF: 11 COMPANY: ILION BOARD OF LIGHT COMMISSIONERS REVISION: 1 INITIAL EFFECTIVE DATE: 3/1/2005 SUPERSEDING REVISION: 0 Issued in compliance with Commission Order in Cases 04-E-1336 and 98-E-0795 issued 2/24/2005

SERVICE CLASSIFICATION NO. 3 (CONT'D)

POWER FACTOR:

All Customers receiving three phase service shall maintain a power factor at the point of delivery of not less than ninety percent (90%) lagging or leading as measured on a monthly basis. If Customer is notified that the power factor has fallen below ninety percent (90%), corrective action must be taken within 90 days. If action is not taken, the necessary corrective equipment will be installed by the Utility and the Customer will be billed for all costs incurred to correct the power factor to the required level.

TERMS OF PAYMENT:

All bills are due when personally served or 3 days after the mailing of the bill and may be paid in full on or before the "DUE DATE" specified on the bill, which shall be at least 20 days after the date on which the bill is rendered. A monthly late payment charge will be assessed at a rate of one and one-half $(1\frac{1}{2}\%)$ on a customer's unpaid balance as provided for in Rule VIII of the NYMPA generic tariff. Remittance mailed on the "DUE DATE" will be accepted without the late charge, the postmark to be conclusive evidence of the date of mailing. The failure on the part of the Customer to receive the bill shall not entitle him or her to pay without the late payment charge after the "DUE DATE".

PURCHASED POWER ADJUSTMENT:

The charges set forth in this service classification shall be subject to a purchased power adjustment as provided for in Rule IX of the NYMPA generic tariff. The charges billed under this section shall be subject to the late payment charge.

BASE PURCHASED POWER PER KILOWATT-HOUR:

The base purchase power cost per kilowatt-hour pursuant to Rule IX.B of the NYMPA generic tariff is \$0.012844.

FACTOR OF ADJUSTMENT:

The factor of adjustment pursuant to Rule IX.D of the NYMPA generic tariff is 1.087593.

TERM:

The Customer will be responsible for any use of service until 2 days after written notice to discontinue service has been received by the Utility.

SPECIAL PROVISIONS:

A. Application for service may be oral, excepting as herein otherwise provided.

Issued by: Kevin J. Manfreda, Superintendent, Municipal Building, Ilion, NY 13357