

..DID: 8372  
..TXT: PSC NO: 218 GAS LEAF: 186.5  
COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0  
INITIAL EFFECTIVE DATE: 06/01/99 SUPERSEDING REVISION:  
STAMPS:  
RECEIVED: 04/26/99 STATUS: Effective EFFECTIVE: 06/01/99

SERVICE CLASSIFICATION NO. 11  
LOAD AGGREGATION (continued)

Security Instruments (continued)

2. If the rating of a bank or insurance company or other financial institutions from whom a Marketer/Direct Customer has obtained a letter of credit or surety bond falls below an "A" rating, the Marketer/Direct Customer shall have 5 calendar days to obtain a substitute letter of credit or surety bond from an "A" rated bank or insurance company or other financial institution.
3. If the Marketer/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, the Company has the right to require security or prepayment as specified in this Service Classification. The Company however, may not request additional security unless the total credit exposure from all commodities increases by at least 10%, or \$250,000. If the security is not tendered within 5 calendar days after such request, the Company may initiate a process to discontinue Supplier Select service to the Marketer/Direct Customer in accordance with this Service Classification.
4. If the Marketer/Direct Customer subsequently satisfies the credit appraisal without the need for some or all of the security requirement, or if the Company determines that its total credit risk from all commodities has decreased by at least 10% or \$250,000, the Company shall return the appropriate portion of any Marketer/Direct Customer's advance cash deposit within 5 calendar days of such determination. Advance cash deposits will be returned with accumulated interest.

Issued By: Darlene D. Kerr, Executive Vice President, Syracuse, New York