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COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0

INITIAL EFFECTIVE DATE: 05/26/97 SUPERSEDING REVISION:

STAMPS:

RECEIVED: 03/12/97 STATUS: Effective EFFECTIVE: 05/26/97 SERVICE CLASSIFICATION NO. 2

(Continued)

SPECIAL PROVISIONS: (continued)

3. Increase or Decreased Illumination and Conversion of Existing Lamps to Different Lamps.

The alteration of existing equipment for increased or decreased illumination or for a conversion to a different type of lamp will be made at Company's expense if the existing facilities have been in service 15 or more years. If the customer wishes to have one conversion prior to this time, the customer may be required to pay Company the depreciated book cost less net salvage value of the facilities removed. Net salvage value is defined as the removal cost less the salvage value of the Company equipment removed.

4. Premature Failure of Equipment

Equipment subject to extraordinary maintenance or replacement requirements, or unusually high incidents of physical damage will require the Customer to reimburse the Company for additional maintenance incurred.

D. Upon not less than 30 days' prior written notice to Company, customer may require that the lighting of any lamp or lamps be discontinued either temporarily or permanently. If the discontinuance is temporary, customer will be required to pay Company the applicable charges for such lamps and equipment, adjusted as provided in Section H, Paragraph 2 under RATE during the period of discontinuance. If the discontinuance is permanent, Company shall have the right to remove said lamps and equipment. If said lamps and/or equipment have been in service for less than 15 years, customer may be required either (a) to continue to pay the applicable charges for such lamps and equipment, adjusted as provided in Section H, Paragraph 2 under RATE, for the remainder of an initial 15-year term from the date of installation, or (b) to pay Company the depreciated book cost less net salvage value of such facilities. Net salvage value defined as the removal cost less that salvage value of the Company equipment removed.

Issued By: Albert J. Budney, Jr., President, Syracuse, New York