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COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION REVISION: 0

INITIAL EFFECTIVE DATE: 11/07/97 SUPERSEDING REVISION:

STAMPS:

CANCELLED by Supplement 1 effective 01/01/00

RECEIVED: 08/20/97 STATUS: Cancelled EFFECTIVE: 11/07/97

GENERAL INFORMATION

34. DEFERRED PAYMENT AGREEMENT (DPA): (CONT'D)

A. Residential Customers: (Cont'd)

(1) Eligibility:

All residential customers and applicants are eligible for an agreement unless the Customer has broken an existing payment agreement which required payment over a period at least as long as the standard agreement described below, or the PSC determines that the customer or applicant has the resources to pay the bill.

(2) Written Offers:

A specific written offer will be made to eligible customers before the date of any threatened termination of service, where payment of outstanding charges is a requirement for reconnection or acceptance of an application for service, and when a customer has broken an agreement that was for a shorter period than the standard agreement.

(3) Negotiating Agreements:

Before making a written offer, the Company will make a reasonable effort to contact eligible customers or applicants in order to negotiate agreement terms that are fair and equitable considering the Customer's financial circumstances. The Company may, at its discretion, require the Customer to complete a form showing his or her assets, income and expenses and provide reasonable substantiation of such information, and if it does so, shall treat all such information confidentially. The Company also may postpone a schedule termination for up to ten (10) days for the purpose of negotiating an agreement.

(4) The Standard Agreement:

If the Company and the Customer or applicant are unable to agree upon specific terms, the Company will offer an agreement with the following terms:

(a) A downpayment up to fifteen percent (15%) of the amount covered by the payment agreement or the cost of one-half (1/2) of one month's average use, whichever is greater, or if the amount covered by the agreement is less than one-half (1/2) of one month's average usage, fifty percent (50%) of such amount; and