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COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0

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15. BILLING AND COLLECTIONS: (continued)

15.10.5.2 The Standard Agreement. Where the Company has been unable to contact the customer or applicant to negotiate specific terms, or where negotiations have failed to produce mutually acceptable terms, the Company may offer a specific agreement based on the following terms:

A downpayment up to 15 percent of the amount covered by the payment agreement or the cost of one-half of one month's average usage, whichever is greater, or if the amount covered by the agreement is less than one-half of one month's average usage, 50 percent of the total amount covered by the payment agreement.

Monthly installments up to the cost of one-half of one month's average usage, or, one-tenth of the balance, whichever is greater.

15.10.6 Entering into the Agreement:

A copy of the written payment agreement offer must be signed by the customer or applicant and returned to the Company in order to become valid and enforceable. In the case of customers who are subject to a final notice of termination, the signed agreement must be received by the Company by the day before the earliest day on which termination may occur, in order to avoid termination of service. If the signed agreement is not received as required, the Company may take steps to shut-off service.

15.10.7 Renegotiating Agreements:

If a customer or applicant can demonstrate that his or her financial circumstances have changed significantly because of conditions beyond his or her control, the Company will amend the terms of the agreement to reflect such changes.

15.10.8 Broken Agreements:

If a customer fails to make timely payment in accordance with the terms of a payment agreement, the Company will send a reminder notice before issuing a final notice of termination. If the customer fails to pay by the 20th day after payment was due and has not negotiated a new agreement, the Company may demand full payment of the total outstanding charges and issue a final termination notice in accordance with 16 NYCRR 11.4 and 11.10 and Rule 9.1.

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