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

INITIAL EFFECTIVE DATE: 02/01/01 SUPERSEDING REVISION:

STAMPS:

CANCELLED by Supplement 9 effective 05/31/01

Suspended by order in Case 99-M-0631. See suppl. No. 8

RECEIVED: 10/30/00 STATUS: Cancelled EFFECTIVE: 06/01/01

GENERAL INFORMATION

32. ALTERNATIVE BILLING ARRANGEMENTS: (CONT'D)

- C. ESCO/Marketer Eligibility: (Cont'd)
 - (5) ESCOs/Marketers who choose to offer an Alternative Billing Arrangement must also execute the ESCO/Marketer Billing Services Agreement for a Single/Consolidated Bill rendered by the ESCO/Marketer.
 - (6) An ESCO/Marketer will not be eligible to provide an Alternative Billing Arrangement if the ESCO/Marketer fails to meet its obligations, as set forth in this Schedule, the Gas Transportation Operating Procedures Manual, or the ESCO/Marketer Billing Services Agreement.
 - (7) An ESCO/Marketer, if not in default, may voluntarily discontinue providing a Single/Consolidated Bill to any customer, customer class or geographic area in the Company's service territory at will (subject to any penalties or sanctions that may arise due to contractual obligations), upon submission of a written notice to the Company and the Customer(s) at least fifteen (15) calendar days prior to the discontinuance date. An ESCO/Marketer may also voluntarily terminate the ESCO/Marketer Billing Services Agreement as set forth in such agreement.

D. Default and Remedies:

- (1) Events of Default by ESCO/Marketer:
 - (a) Any one (1) or more of the following shall constitute an "Event of Default" with respect to the ESCO/Marketer:
 - (i) failure to make payment on the date payment is due; or
 - (ii) repeated occurrences of improper billing (failure to meet Performance Standards as set forth in Section 32.H. of this Schedule); or
 - (iii) failure to deliver and maintain the security, as required by the ESCO/Marketer Billing Services Agreement, within the times provided for therein; or

Issued By: George E. Bonner, Vice President - Gas Operations & Marketing, Binghamton, NY
(Name of Officer, Title, Address)