PSC No: 16 - Gas Rochester Gas and Electric Corporation Initial Effective Date: December 1, 2012 Leaf No. 94 Revision: 1 Superseding Revision: 0

GENERAL INFORMATION

5. TERMINATION OF SERVICE (Cont'd)

A. <u>TERMINATION OF SERVICE DUE TO DEFAULT (Cont'd)</u>

(13) Deferred Payment Agreements (Cont'd)

- (a) <u>Residential</u> (Cont'd)
 - (ii) A deferred payment agreement shall obligate the customer to make timely payments of all current charges and shall provide for:
 - (aa) A down payment up to 15 percent of the amount covered by the deferred payment agreement or the cost of one-half of one month's average usage, whichever is greater, unless such amount is less than the cost of one-half of one month's average usage, in which case the down payment may be up to 50 percent of such amount, and monthly installments of up to the cost of one-half of one month's average usage or one-tenth of the balance, whichever is greater.
 - (bb) Any specific terms for down payment and payment mutually agreed upon after negotiation by the Company and customer.
 - (cc) If the customer demonstrates financial need, no down payment and installments as low as \$10 per month above current bills.

A deferred payment agreement must be signed in duplicate by a Company Representative and the customer; a down payment, if required, must be received by the Company before the agreement becomes enforceable by either party.

The deferred payment agreement must be returned within six business days from the date of negotiation to the Company in order to be valid. In the case of customers who are subject to a final notice of termination, the signed payment agreement must be returned to the Company before the expiration date of the termination notice in order to avoid termination.

A deferred payment agreement may be renegotiated and amended if the customer or applicant demonstrates their financial circumstances have changed significantly beyond their control.

(iii) If a customer fails to make timely payment in accordance with a deferred payment agreement, the Company shall send a reminder notice at least eight calendar days prior to the issuance of a final notice of termination.

If by the 20th day after payment was due under the deferred payment agreement, the Company has neither received payment nor negotiated a new payment agreement, the Company may demand full payment of the total outstanding charges and send a final termination notice in accordance with Rule 5.A and 16 NYCRR 11.4 and 11.10.

A late payment charge of 1.5% per month (18% per year) will be assessed to any unpaid installments including any unpaid regular bills issued for service provided during the term of the agreement.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York