

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: APRIL 27, 2009

LEAF: 292
REVISION: 0
SUPERSEDING REVISION:

FORM I
CUSTOMER SERVICE AGREEMENT
FOR SERVICE CLASSIFICATION NO. 12 (Continued)

7. TERMINATION (Continued)

Notwithstanding the foregoing, where the Customer's failure to pay all or part of its bill for Electric Service relates to the Electric Service rendered, Company shall not have the right to terminate this Agreement, or to suspend the pricing provisions of this Agreement, so long as Customer (1) pays any undisputed portion of the bill when due and in no event later than the late charge date indicated on the bill; (2) advises Company in writing, on or before the late charge date specified on the bill, of the specific grounds for withholding payment; and (3) places in escrow the disputed portion of the bill on or before the late charge date specified on the bill. If (1), (2) and (3) are not accomplished by the late charge date specified on the bill, Company has the right, at its sole option, either to terminate this Agreement, or to suspend the pricing provisions of this Agreement, as provided above. If (1), (2) and (3) are accomplished on or before the late charge date specified on the bill, and the disputed portion of the bill is thereafter determined by Company to have been owed to Company, the escrowed sums shall be immediately released to Company and Customer shall promptly pay Company any late payment charges thereon. In the event the escrowed sums are not immediately released to Company, or in the event Customer fails to pay any late payment charges when due, Company has the right, at its sole option, to the extent allowed by law, to terminate this Agreement or suspend the pricing provisions of this Agreement, as provided above.

Notwithstanding the foregoing, Customer further agrees that, in the event it fails to make payment for Electric Service when due, except for those disputed sums as discussed above, by the due date specified in a written notice of arrears, Company, in addition to any other rights it may have in Law or in Equity, also has the right to terminate all Electric Service to Customer in accordance with 16NYCRR Section 13.3, other applicable New York laws, and the Tariff.

8. BILLING PERIOD

The Billing Period shall be set at the discretion of the Company, and rates and charges for Electric Service furnished by the Company shall be as specified in Attachment A1 or Attachment A2, as applicable.

Issued by Thomas B. King, President, Syracuse, NY