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Issued in Compliance with Order in C. 02-E-0551 et al. Dated October 25, 2006

SERVICE CLASSIFICATION NO. 14 (Cont'd)

STANDBY SERVICE (Cont'd)

SPECIAL PROVISIONS (Cont'd)

14.4 Small Customer Exclusion

Small non-demand metered customers, defined as those customers who would otherwise qualify for service under Service Classification Nos. 1, 2 or 6, that qualify for service under this Service Classification shall take service under this Service Classification but be billed pursuant to the rates, terms and conditions of their Parent Service Classification. This provision will expire at the earlier of (a) May 31, 2009, or (b) the month that 100 customers are billed under this Special Provision.

14.5 Standby Rates Billing Phase-In for Certain Technologies

Customers with OSG that enters service between July 29, 2003 and May 31, 2009, inclusive, and uses any of the designated technologies listed below shall have the option of: (a) an exemption from the standby rates of this Service Classification by taking service at the standard rates of the applicable Parent Service Classification; (b) an eight-year phase-in of the standby rates of this Service Classification; or, (c) service at the standby rates of this Service Classification without a phase-in. Customers with OSG that enters service between July 29, 2003 and June 30, 2004, inclusive, shall have until July 30, 2004 to notify the Company, in writing, of their election for an exemption from the standby rates of this Service Classification.

Customers with OSG that enters service between June 1, 2009 and June 30, 2011, inclusive, and uses any of the designated technologies listed below shall have the option of: (a) a phase-in of the standby rates of this Service Classification with the customer joining the phase-in schedule as of the date the OSG enters service; or, (b) service at the standby rates of this Service Classification without a phase-in.

For the purposes of this Special Provision, the designated technologies shall be as follows: fuel cell, wind, solar thermal, photovoltaics, sustainably-managed biomass, tidal, geothermal, methane waste, or combined

Issued by: Michael L. Mosher, Vice President, Poughkeepsie, New York