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..TXT: PSC NO: 218 GAS LEAF: 30  
COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0  
INITIAL EFFECTIVE DATE: 09/12/97 SUPERSEDING REVISION:  
STAMPS:  
RECEIVED: 07/03/97 STATUS: Effective EFFECTIVE: 09/12/97

GENERAL INFORMATION

2. HOW SERVICE MAY BE OBTAINED: (continued)

2.4.2.4 Deposit Alternatives

2.4.2.4.1 The Company shall accept deposit alternatives which provide a level of security equivalent to cash, such as irrevocable bank letters of credit and surety bonds.

2.4.2.4.2 The Company may, at its discretion, accept from the customer in lieu of a deposit, a written promise to pay bills on receipt and a written waiver of the customer's right not to be send a final termination notice until 20 calendar days after payment is due.

2.4.2.5 Deposit Interest

2.4.2.5.1 Every cash deposit shall accrue interest at a rate prescribed at least annually by the Commission in light of the current economic conditions and current charges paid for money borrowed by the Company, taking into account the expenses incurred by the Company in obtaining, handling, returning or crediting the sum deposited.

2.4.2.5.2 Interest shall be paid to the customer upon return of the deposit, or where the deposit has been held for a period of one year or more, the interest shall be credited to the customer no later than the first bill rendered after the next succeeding first day of October and at the expiration of each succeeding one year period.

2.4.2.5.3 Interest shall be calculated on the deposit until the day it is applied as a credit to an account or the day on which a refund check is issued. If the deposit is credited in part and refund in part, interest shall be calculated for each portion up to the day of the credit and refund.

2.4.2.6 Deposit Return

2.4.2.6.1 The Company shall return a deposit or portion thereof plus applicable interest as soon as reasonably possible, but no more than 30 calendar days after:

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