

..DID: 21221

..TXT: PSC NO: 214 ELECTRICITY LEAF: 31

COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 1

INITIAL EFFECTIVE DATE: 03/24/03 SUPERSEDING REVISION: 0

STAMPS:

Effective date postponed to 09/27/03. See Supplement No. 12

RECEIVED: 12/20/02 STATUS: Pending EFFECTIVE: 09/27/03

SERVICE CLASSIFICATION NO. 2 (Continued)

#### 4. Premature Failure of Equipment

Equipment subject to extraordinary maintenance or replacement requirements, or unusually high incidents of physical damage will require the customer to reimburse the Company for additional maintenance incurred.

- D. Upon not less than 30 days' prior written notice to Company, customer may require that the lighting of any lamp or lamps be discontinued either temporarily or permanently. If the discontinuance is temporary, customer will be required to pay Company the applicable charges for such lamps and equipment, adjusted as provided in Section H, Paragraph 2 under RATE during the period of discontinuance. If the discontinuance is permanent, Company shall have the right to remove said lamps and equipment. If said lamps and/or equipment have been in service for less than 15 years, customer may be required either (a) to continue to pay the applicable charges for such lamps and equipment, adjusted as provided in Section H, Paragraph 2 under RATE, for the remainder of an initial 15-year term from the date of installation, or (b) to pay Company the depreciated book cost less net salvage value of such facilities. Net salvage value defined as the removal cost less that salvage value of the Company equipment removed.
- E. Company shall have the right to remove any Company owned equipment or to discontinue service to any customer owned equipment, which in the opinion of Company, shall have become unsatisfactory for further service by reason of deterioration, civil commotion, vandalism, state of war, explosion, fire, storm, flood, lightning, obsolescence or any other cause reasonably beyond Company's control. Obsolescence is defined as equipment in the state of disrepair where Company can no longer obtain the parts necessary to repair equipment. Replacement shall be limited to equipment considered appropriate by Company at the date of re-installation.
- F. In the event that Company leases customer owned conduit for occupancy by underground street lighting circuit, the applicable annual charges shall be the charges stated under RATE to be applicable for Company owned conduit.
- G. Whenever during any month lamps and/or equipment are installed, removed or replaced pursuant to Special Provisions B, C, D, E, and F, Company shall prepare and supply to customer a revised Schedule "ASL" which shall be executed by a duly authorized representative of the customer and returned to Company. Monthly bills to customers shall be adjusted to reflect such installations, removals or replacements.
- H. Company will use reasonable diligence to provide a continuous, regular and interrupted supply of service, and in event of interruption, Company shall make all reasonable effort to restore service promptly. Company shall make an allowance of twenty-three cents (23¢) per lamp per night for each lamp out more than three hours, provided the customer notifies Company of the outage and that the outage does not result from causes originating on facilities or equipment owned by customer. Such allowances to customer is agreed upon as liquidated damages, and customer shall have no claim against Company for further damages arising out of or connected with such outages.

Issued By: William F. Edwards, President, Syracuse, New York