

6. DISCONTINUANCE OF ESCO'S SERVICE

6.1. Discontinuance Procedures

The detailed procedures for discontinuance are set forth in Section 2 the UBP.

6.2. Assignment in the event of discontinuance

6.2.1. In the event of a voluntary or involuntary discontinuance of service to all or substantially all its customers, evidenced by written notice to the Company given less than 15 days prior to discontinuance of service, by an ESCO that has provided its residential (SC 1-RA and 7-RA) and small non-residential (SC 2-RA) customers with a disclosure statement that clearly states that assignment may occur, Con Edison may assist the ESCO in finding a potential ESCO assignee at the ESCO's request.

6.2.2. The following process would be used. Con Edison will notify all ESCOs having operating agreements with the Company about the availability of the customers. If one or more ESCOs expresses an interest in receiving an assignment (that is, being an "assignee ESCO") of the customers of the discontinuing ESCO ("assignor ESCO"), the Company will arrange for assignment to each assignee ESCO on a proportionate and non-discriminatory basis and using reasonable efforts to arrange for the assignment of any aggregated customer group to a single assignee ESCO. The Company and the assignee ESCO(s) will arrange for the enrollment of the assigned customers in the Company's retail access program. The assignee ESCO(s) will be responsible for honoring the terms of the customer's existing contract with the assignor ESCO for the duration of the term of such contract.

6.2.3. Customers assigned pursuant to this procedure will be notified by the assignee ESCO and the Company that the customer's contract has been assigned and that the customer may accept the assignment without taking any action, provided, however, if the customer chooses, he or she may within 15 days of the date of the notice select another ESCO or notify the utility of his or her desire to return to full utility service; no customer rejecting the assignment will be liable to the assignor ESCO for any contract cancellation or penalty charge if notice is given within the notice period provided. Nevertheless, customers rejecting assignment may be required to take service from the assignee ESCO for one or more billing cycles depending on when the customer provides notice to the utility and the newly selected ESCO, if any, enrolls the customer (at least 15 days prior to the customer's next billing cycle date).

6.2.4. If the discontinuance is associated with the ESCO's bankruptcy, the discontinuing ESCO must provide Con Edison with a copy of the ESCO's written rejection of any executory customer contract involved in a proposed assignment.

6.3. Anti-slamming Measures

ESCOs that switch customers without the customers' authorizations will be fully responsible for all wrongful charges applied to the customers' bills and for all reasonable costs incurred by the Company. Such ESCOs' eligibility to serve retail customers in New York State may also be terminated by the PSC and/or a

monetary penalty may be imposed.

