

– TERMS AND CONDITIONS OF SERVICE –

Effective August 1, 2005

Community Energy, Inc. (CEI) offers National Grid customers (formerly known as Niagara Mohawk) the choice of electricity generated through pollution-free and environmentally superior resources, specifically wind power, offered under the brand NewWind Energy®, and water power, also known as hydro power. The electricity from the wind and water resources will be delivered pursuant to the Environmental Disclosure rules administered by the New York State Public Service Commission. This is an agreement between CEI and the customer, for the delivery of wind-generated or wind-and-hydro generated electricity.

Under this Agreement, National Grid remains as your electricity provider and will continue to deliver your electricity, send your monthly bill, and provide customer service, including energy-related emergency response. Signing up for this product does not interfere with your pre-existing service from National Grid, and all costs associated with your purchase are in addition to your standard rates for electricity supply and delivery services.

NewWind Energy® and Hydro-Power Annual Delivery Arrangements

An arrangement will be made by CEI on your behalf for the delivery of electricity produced from wind-generation and hydro-electric facilities pursuant to the Environmental Disclosure rules administered by the New York State Public Service Commission in the amount of your annual purchases. The production of electricity from wind and hydro sources varies daily and seasonally, so the amount of wind-and-hydro generated electricity in the supply can vary with production from one month to the next. Annually, the total amount of wind-and-hydro energy delivered to your account will total the amounts purchased. In the event that in any year sufficient wind-and-hydro generation is not available to supply your account, you will be billed the lesser amount equal to the amount of wind-and-hydro energy actually included in your account.

Billing and Payment

Your renewable energy charge will appear as a line item on your regular National Grid electric bill. You agree to pay the renewable energy charge shown below for the generation supply you purchased:

60% New Wind/40% Small-hydro adds 1.3 cents per kilowatt-hour based on actual usage

100% New Wind adds 2.5 cents per kilowatt-hour based on actual usage

These charges are **in addition** to your standard National Grid electricity delivery and supply charges for all of your monthly electricity usage. The monthly renewable energy charges will vary with your actual electricity use each month, just as your standard electricity billing varies month to month. The premium for renewable energy will not change over time unless we notify you in writing.

Cancellation Policy

National Grid will cancel your participation in the GreenUp program if you choose an alternate retail electricity supplier, or if your account falls into sixty days of arrears. Community Energy will make its best effort to re-enroll you in the GreenUp program once your account returns to good standing. You may cancel this renewable energy agreement and discontinue charges on thirty-days notice for any reason without penalty. You may cancel by calling us at 1-866-WIND-123, or by writing to us at Community Energy, Inc., 201 King of Prussia Rd., Suite 500, Radnor, PA 19087. Cancellation of this agreement will not cause the termination of your electric service.

Contact Information

If you have any questions, concerns, complaints regarding Community Energy's renewable energy product or any of these Terms and Conditions, or would like to contact us for any reason, please call us at 1-866-WIND-123 or write to us at Community Energy, Inc., 201 King of Prussia Rd., Suite 500, Radnor, PA 19087. Our website is www.NewWindEnergy.com.

For electric-related emergencies, such as power outages, please contact National Grid Customer Service directly at 1-800-NIAGARA (642-4272).

Other Provisions

All matters affecting the interpretation of this Agreement shall be governed by and construed according to the laws of the State of New York. THERE ARE NO WARRANTIES OR REPRESENTATIONS OTHER THAN THOSE EXPRESSLY SET FORTH IN THESE TERMS AND CONDITIONS, AND NO OTHERS SHALL BE HONORED. Should any part of this Agreement be declared invalid for any reason, such decision shall not in any manner affect the validity of the remaining portion of this Agreement, which shall remain in full force and effect as if the part determined to be invalid had not been contained herein at the time of the execution of this Agreement.