

SPECIAL CONDITIONS OF PURCHASE -- REQUIREMENTS CONTRACT

1. Nature of Agreement

- (a) This a requirements contract for the goods or services specified in the Purchase Order for the period set forth in the Purchase Order. Any quantities of goods or services specified in the Purchase Order are estimates only and are not purchased merely by issuance of the Purchase Order.
- (b) Except as otherwise provided in the Purchase Order, Con Edison shall order from the Seller or Contractor (either of whom is hereinafter referred to as "Seller") Con Edison's requirements for the specified goods or services during the term of the Purchase Order.
- (c) Subject to any limitations elsewhere in the Purchase Order, the Seller shall furnish to Con Edison all goods and services ordered in accordance with these Special Conditions.

2. Releases for Goods or Services

Con Edison will order goods or services by issuing releases for specific quantities of goods or services to be furnished under the Purchase Order. Such releases may be called "Delivery Orders," "Releases," "Paving Orders," or "Opening Tickets." Delivery or performance shall only be made as authorized by such releases.

Releases made by telephone will be confirmed promptly in writing. A mailed release is "issued" for purposes of the Purchase Order at the time Con Edison deposits it in the mail. Releases may also be made by facsimile (fax) or electronic data interchange (EDI) transmission.

3. Terms and Conditions

All releases issued hereunder are subject to the terms and conditions of the Purchase Order. In the event of conflict between the Purchase Order and any release, the terms and conditions of the Purchase Order shall govern.

October 1, 2007

4. No Price Adjustment

Except as may be otherwise provided herein, in the event Con Edison's requirements for the goods or services do not result in orders for the quantities specified in the Purchase Order, or even in approximations thereof, or in the event Con Edison has no requirements at all for some or all of the items, one or more of such events shall not constitute the basis for a price adjustment, legal or equitable, under the Purchase Order.

5. Partial Deliveries

The entire quantity of goods shown on any release shall be delivered in one shipment unless otherwise specified. A delivery of less than the entire quantity shown on the release may be rejected. If a partial delivery is accepted, however, payment therefor shall not be due until the entire quantity is delivered.

6. Delivery Notice

For goods, Seller shall mail a shipping notice to Con Edison the same day any items are shipped. Each shipment shall be accompanied by an itemized packing list that states the Purchase Order number, the release number and the Con Edison identification number(s) of the items shipped.

7. Price Limit

Seller shall not deliver the goods or perform the services specified on any release if the price thereof together with the price of all such previous releases issued hereunder exceeds the total expenditure authorized by the Purchase Order unless and until that amount has been increased by means of a duly executed amendment to the Purchase Order. The Seller shall inform Con Edison in writing when the total price of goods or services released reaches 75% of the maximum expenditure authorized by the Purchase Order.

8. Completion of Performance

Releases issued during the effective period of the Purchase Order and not completed within that time shall be completed by the Seller within the time specified in such releases, and the rights and obligations of the Seller and Con Edison respecting those releases shall be governed by the terms of the Purchase Order as if such releases had been completed during the effective period of the Purchase Order.