PSC NO: 220 ELECTRICITY LEAF: 98 NIAGARA MOHAWK POWER CORPORATION REVISION: 2 INITIAL EFFECTIVE DATE: DECEMBER 16, 2016 SUPERSEDING REVISION: 1 STAMPS: Issued in Compliance with Order issued October 17, 2016 in Case 15-E-0560.

GENERAL INFORMATION

16. UNDERGROUND DISTRIBUTION: (Continued)

16.4 Installation of Underground Distribution Systems:

16.4.1 Company will furnish, place, construct, operate, maintain and when necessary replace at its own cost all underground electric lines and other facilities within the territorial limits of any street, avenue, road or way that is for any highway purpose under the jurisdiction of the legislative body of any city, town, village, county or the State of New York, or on private right-of-way when Company elects to use such a route in lieu of construction within such limits, under the terms and conditions hereinafter provided.

16.4.1.1 Upon receipt of a proper application for underground residential service and when underground service is required by governmental jurisdiction, the Company will install underground distribution lines and contribute towards the cost for service laterals. Each applicant is entitled to 100 feet of free underground single phase distribution line, or the equivalent cost of 100 feet of single phase service lateral credit as defined in Rule 16.4.6, measured from the connection point at the bottom of the riser pole for overhead to underground connections. For multiple occupancy buildings, the free underground single phase distribution line entitlement is equal to 100 feet times the average number of dwelling units per floor.

16.4.1.2 Applicant's requesting or required to accept service under these conditions are subject to the same payment regulations as stated in Rule 15.3 of this tariff. However, if the cost of installing the necessary facilities will be greater than two times the cost of installing such facilities calculated using the applicable charges per foot, the Company may petition the Commission to allow a greater contribution to the cost of the facilities than these rules would otherwise require.

16.4.1.3 For installations outside of subdivisions and multiple occupancy buildings, for secondary and primary services the material and installation costs of underground supply, distribution and service lines shall be determined based upon average historical actual costs as filed in annual statements reconciled to the installed trench distance whenever the installed trench varies from the initial design by more than 10 feet. Costs for the extension of subtransmission and transmission services will be actual costs.

16.4.2 Upon receipt of a proper application for underground service pursuant to this Rule 16, Company will furnish, place, construct, operate, maintain and when necessary replace at its own cost all underground electric distribution facilities within the subdivision, and inform the telephone company serving the area in which the subdivision is located of the receipt of such application, and upon compliance by the applicant with the requirements of these rules, Company will install underground electric distribution lines with sufficient capacity, including reasonable provision for load growth, and suitable material which, in its judgment, will assure that the applicant will receive safe and adequate electric service. Such installation shall be undertaken by Company as soon as reasonably