PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: OCTOBER 1, 2010

GENERAL INFORMATION

16. UNDERGROUND DISTRIBUTION: (Continued)

Within a Subdivision

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 possible after receipt of a proper application and shall be made at a time appropriate to render service. Company reserves the right to schedule installation in all or any portion of a subdivision in a manner appropriate to render service. Construction will not be delayed by Company so that applicant will be held up in the sale or other disposal of the buildings, or lots, except where such delay is caused by strikes, fire, flood, inclement weather, unavailability of materials, civil disorders, or other conditions beyond the control of the Company. No overhead circuits, including street lighting circuits, shall thereafter be installed by Company within a subdivision having underground electric distribution lines.

16.4.3 Where the average footage per dwelling unit served exceeds 100 feet, the applicant shall contribute to the cost of the excess footage. For the purpose of this rule, average footage per dwelling unit served will be determined by dividing the total footage of underground distribution line or service line required in the applicant's subdivision by the number of dwelling units to be served at the time the underground electric distribution system is installed. On the effective date of this leaf, the average cost per foot of underground distribution line based upon experienced costs for all underground distribution line extensions in residential subdivisions is \$26.34 per trench foot. Company must file the new average cost per foot with the Commission no later than May 1st of each year. Where Company has on file an application executed and accepted by Company prior to the effective date of this leaf for such extension and construction is commenced not later than thirty days after the effective date of this leaf, the average for such extension of reapplying for the average cost per foot set forth herein.

16.4.3.1 Where the per foot cost of the installation will be greater than two times the cost of installing such facilities as calculated using the applicable charges per foot currently in effect, the applicant or Company may petition the Public Service Commission for the installation of overhead facilities.

16.4.4 If a charge to the applicant has been required under Rule 16.4.3 and if, after the underground distribution system is installed, additional dwelling units are constructed and take service from distribution line, Company will recalculate charges under Rule 16.4.3 as if the additional dwelling units had been constructed at the time of original construction within the subdivision, and will make an appropriate refund of such charges without interest. Any portion of the charges remaining unrefunded five years from the date Company is first ready to render service from the underground electric distribution lines installed with respect to the subdivision for which application hereunder was first made, shall be retained by Company and credited to the appropriate plant accounts.