PSC NO: 119 ELECTRICITY NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: 09/01/03

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GENERAL INFORMATION

- 2. How Service May Be Obtained: (Cont'd.)
 - B. Extension of Facilities (Cont'd.)
 - (3) Additional Obligations of Residing Applicants:

Before service is provided, a residing applicant shall comply with the requirements of all applicants and in addition shall comply with the following requirements:

- (a) Signed, or agreed to all the provisions on, the Application for Electric Service, a form of which is provided in Section 2.I.; and
- (b) Agreed to pay the Corporation the rates charged like customers; and,
- (c) Paid, or agreed in writing to pay, all costs (including materials, installation costs and the associated overhead costs bas ed on average historical costs) relating to any portion of the distribution line, service line and appurtenant facilities, (other than Account 368 "Transformers" or Account 370 "Meters"), that exceed the portion that the Corporation will provide without a contribution from the applicant as stated in 2.B.(5) and 2.B.(6). In cases where more than one applicant is requesting service at the time of construction, each of the applicants will be required to pay their prorated share of the costs of the facilities. If the line is to be installed underground in a VSR, pursuant to 16 NYCRR Part 99, this cost shall not exceed the contribution the applicant would be required to pay if the line had been installed overhead. For such excess line extension costs, the applicant will have either:
 - (i) paid a lump sum charge. If any additional customers are served from the extension during the first ten years from when service was originally rendered, the charge shall be recalculated and the applicant shall re ceive a prorated refund. Any refund amount determined to be due will be refunded to the current owner of the facility served by the extension. However, in no event will such refunds exceed the amount originally paid for costs associated with the distribution line portion of the extension;

OR

(ii) agreed to finance the costs over a period of ten years. The Corporation may require a down payment equivalent to the first monthly payment of the ten-year surcharge. Charg es will be billed in monthly in stallments and paid in addition to payment of the normal charges for utility services. If customers are added, the installment charge for the distribution portion of the extension shall be recalculated and adjusted for the remaining years in accordance with Section 2.B.(3)(c) and (e).

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