

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 08/01/03

LEAF: 57
REVISION: 0
SUPERSEDING REVISION:

GENERAL INFORMATION

10. EXTENSION OF MAINS: (continued)

- 10.3.7.2 Should additional customers be connected to said main extension during the initial five year period from the date placed in service, a pro rata refund will be made for the cost of that additional portion of main extension which Company would have allowed without charge or surcharge.
 - 10.3.8 Should the adjusted gas revenue from all customers served from a main extension exceed the carrying cost of the entire extension, any surcharges (or contributions) paid by such customers during the preceding five years will be refunded to such customers.
 - 10.3.9 For gas applications for firm sales and firm transportation service of 25,700 Dt or more per year and all levels of interruptible sales and interruptible transportation, the Company will require that the cost of the main extension and system improvements, if required, be justified by adjusted gas revenues within a two (2) year period. In the event that actual adjusted gas revenues within a two (2) year period do not equal or exceed the cost of the facilities installed in excess of the allowance provided in Rule 10.1, the customer will be required to pay a contribution for the cost of the facilities not covered by adjusted gas revenues. If additional customers are connected to the facilities installed, the additional adjusted gas revenues generated by the additional customers will be considered for justification of the required facilities within the initial two (2) year period.
- 10.4 Whenever, at the request of a developer, owner or occupant, the Company installs a gas main prior to the time when service is required, said developer, owner or occupant shall bear the entire reasonable expense of providing, placing and constructing the gas main. When gas service is begun, the developer, owner or occupant shall be entitled to a refund equal to the cost of gas main provided by the Company in Rule 10.1 for each unit taking service. The total refund shall not exceed the total cost of the installation. Any monies unrefunded at the end of the five-year period subsequent to the installation of gas main facilities shall be retained by the Company.
 - 10.4.1 Upon mutual agreement of both Company and developer, a developer may post a bond or provide a letter of credit, as a guarantee of performance, in lieu of the refundable portion of the contribution required in Rule 10.4. This procedure would be applicable to that length of main allowed under Rule 10.1.
- 10.5 Furnishing of Rights-of-Way or Agreement to Pay Cost:
 - 10.5.1 The applicant or applicants shall execute and delivery to, and obtain for, the Company, free from cost, satisfactory permanent easements or rights -of-way insofar as the extension or subsequent addition thereto affects the property owned by the applicant, applicants, or others for placing and maintaining the extended main or service line.

Issued By: William F. Edwards, President, Syracuse, New York