

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

LEAF: 56  
REVISION: 0  
SUPERSEDING REVISION:

## GENERAL INFORMATION

### 10. EXTENSION OF MAINS: (continued)

- 10.3.1.3 If the estimated consumption of the proposed customer(s) requires the installation of a *larger-sized* main than in Section 10.3.1.1, the surcharge shall not exceed 20 percent per year of the actual reasonable cost of such main.
- 10.3.2 The surcharge shall be paid ratably for each billing period, provided that the surcharge shall begin when gas service is first available to the applicant and shall cease ten years from that date.
  - 10.3.2.1 Upon terminating service, customer shall pay the balance due on the surcharge for the first year if service has been taken for less than one year.
- 10.3.3 The surcharge shall be reduced by a credit computed annually. The credit shall be 50 percent of adjusted gas revenues, provided that the credit shall not exceed the amount of the surcharge as determined above.
- 10.3.4 Whenever more than one customer is connected to the extension, the surcharge shall be so adjusted that the Company shall not receive in any one calendar year more than the percentage applicable to said extension from all customers served from said extension and said surcharge shall be reasonably allocated to the several customers served from said extension, taking into account that portion of mains and appurtenant facilities which the Company is required to provide without charge to each customer served from such facilities.
- 10.3.5 Whenever the number of customers on a main extension multiplied by 100 feet shall equal or exceed the length of the main extension, or whenever the total adjusted gas revenue in each of any two (2) consecutive calendar years from all customers on the main extension equals or exceeds forty percent of the actual reasonable cost of said main extension, all surcharges shall cease; and no surcharge shall be imposed if the total estimated adjusted gas revenue in each of any two consecutive calendar years shall equal or exceed forty percent of the actual reasonable cost of the extension.
- 10.3.6 The customer must first have furnished reasonable security as to performance of his/her agreement if so required by Company.
- 10.3.7 In lieu of a surcharge, the applicant(s) may elect to make a cash contribution equal to the cost of the main extension in excess of the allowance provided in Rule 10.1 from the nearest main appropriate to the service requested, less the allowance from applying an estimated two years adjusted gas revenue.
  - 10.3.7.1 Whenever more than one customer is initially connected to the extension, the cash contribution shall be reasonably allocated to the several customers served from the extension.