

..DID: 10851
 ..TXT: PSC NO: 15 ELECTRICITY LEAF: 31
 COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION REVISION: 0
 INITIAL EFFECTIVE DATE: 02/01/00 SUPERSEDING REVISION:
 STAMPS:
 RECEIVED: 12/01/99 STATUS: Effective EFFECTIVE: 02/01/00

5.A. DISTRIBUTION AND SERVICE LINE EXTENSION (Cont'd)

(5) Application for Overhead Electric Line Extension (Cont'd)

Appendix A

[To Be Used With Residing Applicants Only]

1. In lieu of paying a lump sum, provided that the cost of such construction is \$1,000.00 or more, Residing Applicants may elect to pay a surcharge upon completion of the construction of this line extension. If the Applicant does elect to pay the Company a monthly or annual surcharge, Applicant will be required to pay approximately \$_____ (Bimonthly) for a ten (10) year period. The total amount to be paid by the Applicant will be approximately \$_____ which is comprised of \$_____ interest and \$_____ to cover capital construction ("Surcharge").
2. The Surcharge constitutes a repayment of Applicant's share of the cost of the construction of the line extension (and the cost of related materials) with interest by the Applicant, in equal installments, over a ten (10) year period. The Surcharge is also based upon the costs of installing a service line and of obtaining right of ways if the Applicant chooses to have these costs included in the Surcharge.
3. The interest rate applicable to Applicant's Surcharge is _____. This rate is based upon the Company's overall pre-tax rate of return. The formula used to calculate each individual Surcharge payment is a standard amortization. [The basis for calculating the capital recovery factor for the Applicant's Surcharge is: $(C+6) / (1-(1+(C+6)^{-60}))$ where C is the Company's weighted pre-tax cost of capital as set by the rate award in effect at the time of application.]
4. Applicant shall pay a security deposit to the Company in an amount equal to the total of one (1) Bimonthly Surcharge payment. This security deposit shall be deemed to consist of the 60th and final Surcharge payment.
5. As new customers of the Company take service from the extension within ten (10) years from the date Applicant began receiving service from it, the Company will adjust the Surcharge of Applicant or refund an appropriate portion of Applicant's lump-sum payment, if applicable. If Applicant's residence has been sold at the time(s) any such new customers begin taking service, any refund to be made pursuant to this Agreement or the Rules, will be made to the then current owner of the residence.

Issued by: Arthur R. Upright, Senior Vice President, Poughkeepsie, New York