GENERAL INFORMATION

II. Rules and Regulations (continued):

2B. Extension of Facilities (continued):

.1.1.4 All customers:

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- .1.1.4.1 additional lengths of main and service lines providing these costs can be justified by analysis of adjusted gas revenues of the customer
- .1.1.4.2 the cost legally imposed by government authorities for obtaining required work permits and for repairing and replacing disturbed pavement.
- .1.1.5 If due to unusual circumstances the actual cost per foot of a particular installation is greater than two times the corporation's average cost per foot of new installations for service for the twelve months ending September 30 of the previous year, the Company may apply to the Commission for relief from so much of this section (Rule 2B.1.1) as is deemed necessary by the Company in order to provide the service.
- .1.2 Obligation of the Customer: Whenever an owner or occupant of any property abutting on and having access to any public highway in which the governmental authority having jurisdiction will permit the Company to install and maintain facilities, and in which there is no gas main appropriate to the service requested within a distance of one hundred feet from said property makes a written application for service to the Company, the Company will extend its system so as to serve said property, provided
- .1.2.1 that said applicant shall first have assured the Company that he will be a reasonably permanent customer, and
- .1.2.2 that he shall first have executed an agreement, the terms of which shall provide substantially as follows:
- .1.2.2.1 applicant shall agree to pay to the Company the rates provided in the applicable Service Classification and in addition a surcharge of 20 per cent (return, depreciation, taxes and maintenance) per year of the actual reasonable cost of such facilities that exceed the portion which the Company is required to install without charge to the applicant, if the corporation lays a main of 4 inches or less in minimal diameter (in the case of low pressure distribution) or of 2 inches or less in nominal diameter (in the case of high pressure distribution). If the Company lays a main greater than 4 inches in nominal diameter (in the case of low pressure distribution) or greater than 2 inches in nominal diameter (in the case of high pressure distribution), the surcharge shall not exceed 20 per cent per year of the estimated reasonable cost of a 4-inch main (in the case of high pressure distribution) or of a 2-inch main (in the case of high pressure distribution), unless the estimated consumption of the proposed customer(s) requires the installation of a larger-sized main, in which event the surcharge shall not exceed 20 per cent per year of the actual reasonable cost of such main.

The surcharge shall commence when gas service is first available to an applicant and shall be paid rateably for each billing period.

Issued by Kathleen A. Marion, Secretary 175 East Old Country Road, Hicksville, NY