

..DID: 882
..TXT: PSC NO: 218 GAS LEAF: 57
COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 09/12/97 SUPERSEDING REVISION:
STAMPS:
RECEIVED: 07/03/97 STATUS: Effective EFFECTIVE: 09/12/97
GENERAL INFORMATION

10. EXTENSION OF MAINS: (continued)

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.

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 prorata 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

Issued By: Albert J. Budney, Jr., President, Syracuse, New York