

PSC NO: 214 ELECTRICITY
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: SEPTEMBER 1, 2020
 STAMPS:

LEAF: 44
 REVISION: 14
 SUPERSEDING REVISION: 13

SERVICE CLASSIFICATION NO. 2 (Continued)

8. Purchase of Company-Owned Street Lights

Any municipality or other government entity desiring to purchase part or all the Company's street light system comprised of Facility assemblies and associated electric circuitry used to serve that customer may inform the Company of its interest in purchasing those street light Facilities as provided herein:

- a. Not more than once in any twelve-month period, the customer may submit a request to the Company in writing for a determination of the estimated price at which the Company would agree to sell the greater of:
 - i. ten (10) percent or more of the street light assemblies providing service to the customer under this Tariff; or
 - ii. one hundred (100) lights.

In both cases, the purchase of street light Facilities is exclusive of any supporting distribution electric infrastructure, associated distribution electric circuitry and any such facilities used by the Company to serve other customers. If a customer has less than one-hundred (100) street light assemblies owned by the Company, the customer will be required to purchase all the street light assemblies.

- b. Within ninety (90) calendar days of receipt of the customer's written request and generally based upon the order received, the Company shall provide the customer with an initial estimated price for the sale of such street light assembly Facilities, which price shall be determined as follows:
 - i. For requests to purchase all street lighting Facilities serving that customer under this Service Classification No. 2, the estimated purchase price of the street lighting Facilities will be at the Company's plant accounting record's net book value ("NBV") within all applicable tax jurisdictions having Facilities serving the customer.
 - ii. For all other requests to purchase street lighting Facilities not meeting the criteria in (b)(i) above, the Company shall provide the customer with an estimated purchase price for the sale of such street light Facilities as specified by the customer, which estimated purchase price shall be determined by the Company taking into account factors which may include, but are not limited to, the fair value of the street light Facilities to be sold, the remaining book value of the street lights to be sold, and any other costs which the Company may incur to complete the sale, which shall not include the cost of any field survey of the specified street lights in question unless specifically requested by the customer.
- c. In addition to the initial estimated purchase price provided in (b) above, the customer will be responsible for transaction and transition costs associated with the sale. Transaction costs include but are not limited to; any taxes, recording fees, and mortgage indenture release fees associated with the sale. Transition costs include but are not limited to; costs relating to inventory, attribute ownership and account data changes within Company's GIS mapping, billing, customer, tax and other related information systems associated with the sale.
- d. The initial pricing estimate shall also include:
 - i. the Company's total original cost, depreciation and NBV for the specified street light assets;
 - ii. an explanation of how the proposed sales price was determined;
 - iii. the cost the Company would charge to convert the specified street lights to LED prior to sale under its existing tariff provisions; and
 - iv. an effective term period of a maximum one-hundred eighty (180) calendar days after which expiration of the term period will re-establish the requirements beginning with (b) above.