

PSC NO: 214 ELECTRICITY
COMPANY: NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: MARCH 1, 2010

LEAF: 44
REVISION: 6
SUPERSEDING REVISION: 5

SERVICE CLASSIFICATION NO. 2 (Continued)

8. Permanent Discontinuance

Upon not less than 30 days' prior written notice to Company, customer may request that any facility be discontinued permanently. Company shall have the right to remove or retire-in-place the designated facility(s). The customer is required to compensate the company for the facilities to be permanently discontinued. The compensation is specific to the facilities to be permanently discontinued and is comprised of three individual financial components; asset valuation, removal cost and system reconfiguration costs.

- a. Asset valuation shall be determined based upon the difference between the in-service age of each facility and the schedule of average service life values for each general facility category identified in RATE, presented in Table 20 below. If the designated facilities have been in service for greater than the established average service life term, no asset value is assessed. For all other cases, the customer is required to pay the sum of the applicable RATE charges for each facility, adjusted based upon the unexpired term to complete the average service life.
- b. Removal cost shall include all, but not be limited to, labor, material, transportation, administrative and general expenses, site restoration and other charges and adders applicable thereto. In the event permanently discontinued company facilities are replaced with other company facilities at the same time, the removal cost may be waived.
- c. System reconfiguration costs, if necessary, shall include, but not be limited to, all labor, material, transportation, administrative and general expenses and other charges and adders for the Company to perform any electric system reconfigurations required to maintain service to unaffected street light locations.

Table 20 – Average Service Life Terms

Schedule of Average Facility Service Life Terms
By Facility Category, per unit

<u>Character of Service</u>	<u>Facility Category</u>	<u>Average Service Life Term (Years)</u>
All - OH, UG, URD	Luminaire	15
	Pole/Standard	25
	Arm/Bracket	25
	Base	25
	Foundation	35
	Circuit	35

G. Increase in Rates and Charges

Reference General Information, Section IV.

MINIMUM CHARGE:

The application of charges as defined under RATE for the duration of the unexpired term, utilizing the billing quantities effective at the time of termination notice, plus any balance due for service rendered. Reference General Information, Section IV.

Issued by Thomas B. King, President, Syracuse, NY