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COMPANY: NIAGARA MOHAWK POWER CORPORATION REVISION: 0
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GENERAL INFORMATION

10. EXTENSION OF MAINS: (continued)

10.3.1.2 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 percent per year of the *estimated reasonable cost* of a 4-inch main (in the case of low pressure distribution), or a 2-inch main (in the case of high pressure distribution).

10.3.1.3 If the estimated consumption of the proposed customer(s) requires the installation of a *larger-sized* main than in Section 10.3.1.1, the surcharge shall not exceed 20 percent per year of the actual reasonable cost of such main.

10.3.2 The surcharge shall be paid ratably for each billing period, provided that the surcharge shall begin when gas service is first available to the applicant and shall cease ten years from that date.

10.3.2.1 Upon terminating service, customer shall pay the balance due on the surcharge for the first year if service has been taken for less than one year.

10.3.3 The surcharge shall be reduced by a credit computed annually. The credit shall be 50 percent of adjusted gas revenues, provided that the credit shall not exceed the amount of the surcharge as determined above.

10.3.4 Whenever more than one customer is connected to the extension, the surcharge shall be so adjusted that the Company shall not receive in any one calendar year more than the percentage applicable to said extension from all customers served from said extension and said surcharge shall be reasonably allocated to the several customers served from said extension, taking into account that portion of mains and appurtenant facilities which the Company is required to provide without charge to each customer served from such facilities.

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