

PSC NO: 214 ELECTRICITY

LEAF: 43.1

COMPANY: NIAGARA MOHAWK POWER CORPORATION

REVISION: 0

INITIAL EFFECTIVE DATE: NOVEMBER 1, 2016

SUPERSEDING REVISION:

STAMPS: Issued in compliance with Order issued by the PSC on October 14, 2016 in Case 15-E-0747.

## SERVICE CLASSIFICATION NO. 2 (Continued)

## 7. Permanent Discontinuance

Upon not less than 90 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 Facility(s) to be permanently discontinued. The compensation is specific to the Facility(s) 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 applicable tax area asset category average of the Facility(s) undepreciated book value, less any Facility(s) salvage value based upon the Company's plant records.
- 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. Company-owned HID Luminaires that are replaced with Company-owned LED Light Source/Luminaire Facilities will not require the customers to pay system removal costs.
- 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. In situ replacement of Company-owned HID Luminaires with Company-owned LED Light Source/Luminaire Facilities will not require the customer to pay system reconfiguration costs.