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Rochester Gas and Electric Corporation
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GENERAL INFORMATION

3. EXTENSION AND MAINTENANCE OF COMPANY FACILITIES TO SERVE CUSTOMER (Cont'd)

A. DISTRIBUTION LINE EXTENSIONS (Cont'd)

(4) Additional Obligations of Residing Applicants (Cont'd)

(f) Line extension costs shall cease or be adjusted as follows:

- (i) If within 10 years of the commencement of service more than one applicant is served from such distribution line, each applicant shall bear a portion of the distribution line cost prorated based upon the applicant's distance along the extension shall not be subject to excess line extension costs.
- (ii) Within 10 years of the commencement of service from such distribution line, whenever the aggregate entitlement (combined total of each individual's actual free allowance which shall be the applicant's actual required footage up to 500 feet) of the customers then served from the line equals or exceeds its length, the charge for excess distribution line extension shall terminate to all customers served from such distribution line.
- (iii) Each applicant's share of the costs for distribution line beyond the aggregate free allowances shall be the prorated share of the costs and expenses for the section of distribution line required to serve that customer. No applicant/customer shall be responsible for any of the cost of distribution line footage which extends beyond the point on the distribution line from which the applicant/customer receives service.
- (iv) Charges for the excess distribution line extension shall cease, whenever the total revenue from all customers served from the associated distribution line extension exceeds 1.5 times the actual capital cost of such extension for each of any two consecutive calendar years occurring within 10 years from the date the first customer took service. Where a customer has made a lump sum payment, an appropriate prorated refund shall be made based on the number of years the line has been available for service prior to the revenue test being satisfied.
- (v) No excess distribution line extension charges shall be imposed if the Company estimates that the total revenue to be received from all customers served from the associated distribution line extension shall exceed 1.5 times the actual capital cost of such extension for each of any two consecutive calendar years occurring within 10 years from the date the first customer takes service from that extension.

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