

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

CASE 12-G-0499 - Petition of New York State Electric & Gas Corporation to Amend its Certificate of Public Convenience and Necessity and to Exercise a Gas Franchise in the Town of Plattsburgh, Clinton County, New York.

ORDER AMENDING CERTIFICATE OF PUBLIC  
CONVENIENCE AND NECESSITY AND REQUIRING SYSTEM IMPROVEMENTS

Issued and Effective: July 29, 2014

## TABLE OF CONTENTS

	<u>Page</u>
<u>INTRODUCTION</u> .....	1
<u>PETITION</u> .....	3
<u>PUBLIC COMMENTS</u> .....	4
<u>BACKGROUND</u> .....	6
<u>Staff's Investigation</u> .....	10
<u>DISCUSSION</u> .....	12
<u>Gas Expansion Policy Statement</u> .....	13
<u>Expanded CPCN</u> .....	14
<u>Environmental Quality Review</u> .....	14
<u>Land Use</u> .....	18
<u>Agricultural Districts</u> .....	19
<u>Historical and Cultural Resources</u> .....	19
<u>Streams and Wetlands</u> .....	20
<u>Rare, Threatened and</u> <u>Endangered Species</u> .....	21
<u>Vegetation Protection</u> .....	21
<u>Adequacy of Pipeline Capacity</u> .....	22
<u>ECONOMIC FEASIBILITY</u> .....	22
<u>Survey Results and Potential</u> <u>Savings to Customers</u> .....	23
<u>Sales Forecast</u> .....	24
<u>Capital Expenditures</u> .....	26
<u>Development Period</u> .....	27
<u>Customer Information</u> .....	30

Ordering Service Extensions.....31

CONCLUSION.....33

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held in the City of  
Albany on July 24, 2014

COMMISSIONERS PRESENT:

Audrey Zibelman, Chair  
Patricia L. Acampora  
Garry A. Brown  
Gregg C. Sayre  
Diane X. Burman

CASE 12-G-0499 - Petition of New York State Electric & Gas  
Corporation to Amend its Certificate of Public  
Convenience and Necessity and to Exercise a Gas  
Franchise in the Town of Plattsburgh, Clinton  
County, New York.

ORDER AMENDING CERTIFICATE OF PUBLIC  
CONVENIENCE AND NECESSITY AND REQUIRING SYSTEM IMPROVEMENTS

(Issued and Effective July 29, 2014)

BY THE COMMISSION:

INTRODUCTION

In this order, the Commission grants the request of  
New York State Electric & Gas Corporation (NYSEG or the  
Company), pursuant to §68 of the Public Service Law (PSL) to  
amend the Certificate of Public Convenience and Necessity (CPCN)  
the Commission granted the Company in 1997 to allow it to serve  
the entire Town of Plattsburgh (Town, Plattsburgh).<sup>1</sup> This order  
(1) grants NYSEG a town-wide CPCN; (2) adopts a ten-year

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<sup>1</sup> Case 97-G-0706 - Petition of New York State Electric & Gas  
Corporation for Approval, Pursuant to Section 68 of the Public  
Service Law, for the Exercise of a Gas Franchise in the Town  
of Plattsburgh, Clinton County, Order Granting Certificate of  
Public Convenience and Necessity (issued June 27, 1997) (1997  
CPCN).

development period for the expansion of gas service; and (3) orders NYSEG to commence construction in 2014 to customers in the franchise area approved in the amended CPCN. The Commission is granting a town-wide CPCN to simplify the continued expansion of gas service; however, NYSEG will still be required to obtain the necessary review and approval from the pertinent federal, state, and local authorities (including the Department of Public Service when necessary), whenever construction of gas extensions actually occurs.<sup>2</sup> A ten-year development period is appropriate in this case given the current price of natural gas as compared to alternative fuels and the density of potential customers in the economic footprint. Further, a ten year period will reduce monthly billing impacts for customers. To that end, this order requires NYSEG, pursuant to PSL §66(2), to begin construction in 2014 of gas distribution and service lines to new customers residing within the footprint of Staff's Modified Build-out Plan adopted in this order. In offering new gas services, NYSEG is required to charge a Contribution in Aid of Construction (CIAC) surcharge of \$0.282 per therm (an estimated \$300 annual CIAC Surcharge for an average residential heating customer), as fully described herein.<sup>3</sup> With these parameters, NYSEG's amended CPCN is in the public interest.

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<sup>2</sup> A town-wide CPCN is expected to abbreviate the process of responding to customer requests for gas service by avoiding individual Company petitions for each discrete build-out area.

<sup>3</sup> See Appendix B map. This CIAC Surcharge shall only apply to customers in new expansion sectors of the approved build-out plan. It does not apply to customers who currently receive gas service or reside along the Company's unauthorized extensions.

PETITION

By petition dated November 1, 2012 (November 1 Petition), NYSEG sought (1) an amendment to its 1997 CPCN to extend such approval to the entire Town of Plattsburgh gas franchise service area and, (2) expedited approval to serve one commercial customer, Nova Bus.<sup>4</sup> NYSEG also admitted in its November 1 Petition that between 2007 and 2012, and without Commission authorization, it installed additional gas service to more than 300 customers who reside within the town-approved franchise but outside the Commission's 1997 CPCN.<sup>5</sup>

In its November 1 Petition, NYSEG stated it had received the necessary local permits required for further expansion. It sought to expand service in the short term to customers along existing gas distribution mains and services, to many of whom the Company had already been providing service unlawfully. For the rest of the service request, NYSEG proposed to use the tariff expansion rules.<sup>6</sup> NYSEG also stated it had sufficient available capacity to serve customers in a town-wide expansion.

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<sup>4</sup> On January 17, 2013, the Commission granted NYSEG's request to serve Nova Bus because doing so would create up to 90 jobs in Plattsburgh and Nova Bus had agreed to pay the necessary surcharge to receive new service. See Case 12-G-0499, *supra*, Order Amending Certificate of Public Convenience and Necessity to Serve Nova Bus (issued January 17, 2013) (Nova Bus Order).

<sup>5</sup> During discovery in this proceeding, Staff found that NYSEG had actually extended service unlawfully to 326 customers during the 2007 and 2012 time period. For purposes of this order, we will use Staff's 326 customer estimate. Staff plans to make a recommendations to the Commission on a possible penalty action with respect to these 326 violations of Public Service Law §68 in the coming months.

<sup>6</sup> 16 NYCRR Part 230.

PUBLIC COMMENTS

After a November 23, 2012 Secretary's Notice of Public Statement Hearings, five people commented in writing to the Secretary to the Commission. They were: Nova Bus, the North Country Chamber of Commerce, Gerard Renadette (Town Board Member of Plattsburgh), Bernard C. Bassett (Supervisor for Plattsburgh), and The Development Corporation of Clinton County. They all spoke in favor of NYSEG's extension request, although Town Board member Renadette expressed concern about the high cost of gas extensions in rural areas.

NYSEG sought an expedited proceeding of its application, pursuant to 16 NYCRR §21.10. As required by that section, NYSEG published a notice of its motion in a local newspaper of general circulation on November 29, 2012, December 6, 2012, and December 10, 2012. No objection to the motion was received.

On December 12, 2012, two sessions of public statement hearings were held at Clinton Community College in Plattsburgh. Individuals from the local Industrial Development Authority, the Town, and Nova Bus made statements. While all the speakers generally spoke in support of NYSEG's extension requests, in expressing concern about NYSEG's failure to install service in a timely way, one Town official acknowledged that one reason NYSEG might have ignored requests for new gas service was because of the higher cost of providing gas service in less densely populated areas.

While State Administrative Procedure Act (SAPA) notice is not required for PSL §68 authorizations,<sup>7</sup> notice was published in the State Register in this case on April 23, 2014. Publication was necessary because, in addition to considering

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<sup>7</sup> Approvals under PSL §68 are licensing, not rule making.

the amendment to the CPCN, we wanted to consider requiring NYSEG, pursuant to PSL §66(2), to make system improvements, particularly to require the Company construct the system on an established schedule. The SAPA comment deadline was June 9, 2014. No comments were submitted.

Because Staff developed its own Economic Feasibility Study and Modified Build-out Plan, on July 1, 2014, a Secretary's Notice Soliciting Comments on Staff's proposals was issued. NYSEG and Plattsburgh submitted comments.

In its comments, the Town reiterated its frustration with how NYSEG has chosen to provide new gas service to certain customers and not others since it had entered into its Franchise Agreement with the Town.<sup>8</sup> While expressing frustration with NYSEG's Public Service Law §68 violations, the Town continues to support the town-wide expansion; it lauded Staff for its diligence in working with the Town and NYSEG and for developing an alternative plan that estimates lower installation costs; and reiterated the Town's offer to cooperate with NYSEG to save on installation expenses. The Town supports better NYSEG communication with customers as well as a more efficient process for NYSEG assisting potential customers in deciding whether to convert to natural gas.

In its comments, NYSEG acknowledged that Staff's Modified Build-out Plan is relatively consistent with the Company's March 26 Build-out Plan.<sup>9</sup> The Company accurately describes Staff's plan as providing for 90,925 feet of main to be installed as compared to the Company's proposed 119,870 feet of main. It asks whether Staff considered synergies from other

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<sup>8</sup> July 7, 2014 Town of Plattsburgh Comments.

<sup>9</sup> July 9, 2015 NYSEG comments.



expansion petitions the Company has filed with respect to nearby franchises and confirms that no significant difference exists between Staff's Economic Feasibility Study and NYSEG's March 19 Economic Model except for the per unit cost of gas distribution services and main. The extent to which the Company's comments are at odds with Staff's proposals are discussed in the body of this order.

#### BACKGROUND

In granting NYSEG its 1997 CPCN, the Commission approved the partial exercise of a gas franchise granted by the Town of Plattsburgh (Approved Franchise Area, drawing MDE-1, revised 8 May 1997). The areas approved in the 1997 CPCN are shown on the map of Appendix A.

On January 17, 2013, the Commission, in response to NYSEG's November 1 Petition to amend the 1997 CPCN, issued an order granting NYSEG's request that it be authorized to serve Nova Bus and directed NYSEG to "...include in its economic analysis [of the entire franchise area] the revenues and costs attributable to serving (1) the [326] currently connected customers outside of the originally approved CPCN, (2) the Nova Bus extensions, and (3) all customers residing in the Town of Plattsburgh outside of the original 1997 CPCN boundary, including those showing interest in connecting via a customer survey."<sup>10</sup>

In accordance with the Nova Bus Order, NYSEG sent surveys to all un-served Town residents to assess the level of interest to receive new gas service and to identify the

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<sup>10</sup> Nova Bus Order at 12.

locations of interested customers.<sup>11</sup> The survey was well received by those residents who responded. For instance, 74% of them claimed that they were very interested in converting to gas service and, of those who responded, 64% claimed they would connect as soon as possible.

NYSEG, also in accordance with the Nova Bus Order, on August 9, 2013, submitted an economic feasibility model forecasting possible expansions in Plattsburgh based upon the survey results and which expanded on the Company's November 1 Petition's proposal. Over the next seven months, Staff asked the Company to revise its model a number of times by applying different parameters, ones Staff believed better reflected the survey results by, for instance, including areas that showed higher concentrations of interested customers. On October 1, 2013, the Company submitted a model that applied a 10-year development period, which Staff had also requested. To ease the financial impact on Plattsburgh customers, applying a ten-year development period significantly reduced estimated monthly CIAC Surcharges to customers.

For each of the expansion scenarios spread over 10 years, the Company's initial model assumed 100% conversion of the potential customers that favorably responded to the survey and a 70% and 80% conversion rate for residential and commercial customers, respectively, of unfavorable and non-responsive customers. The Company assumed an average annual usage of 1,060 therms for residential heating customers, 280 therms for residential non-heat customers, and 2,600 therms for commercial customers based on historical service class data. NYSEG provided estimated usage for the large customers such as Nova

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<sup>11</sup> More than 900 Town residents expressed interest in obtaining natural gas service.

Bus and the Cumberland Head Elementary School based on customer usage data provided by the customers. The revenues of the model were priced out using current delivery rates.

The Company applied average, historical, unit costs for main and service lines to forecast its plant estimates. It applied a higher unit cost for main installation in areas potentially containing rock to factor in additional costs to excavate or blast through the rock. The rates used to calculate plant depreciation, property taxes, tax depreciation, and income taxes were all based on agreed-upon plant depreciation rates adopted in the last rate case, as well as Modified Accelerated Cost Recovery System depreciation rates (MACRS) and current federal and state income tax rates.<sup>12</sup> The Company applied the historical, average, operation and maintenance (O&M) expense to cover meter reading costs on a per customer basis. The Company then applied an annual O&M cost per customer to each forecast development year based on the cumulative number of connecting customers. To address the requirements of the Nova Bus Order, the Company used a separate model to calculate the relevant data needed to impute the effects of the existing, unlawfully attached, customers along unapproved distribution mains while also computing the associated growth of the potential customers remaining unserved along those mains.

In each iteration of the economic model, the Company developed proposed CIAC and/or revenue surcharges so that the Company would meet the necessary rates of return within the development period. Staff observed that the resulting customer

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<sup>12</sup> (MACRS) is the tax depreciation system currently used in the United States.

contributions for all except the smallest of the expansion scenarios exceeded a reasonable level of cost (or bill) increases that customers in the area could likely afford when considering fuel savings and conversion costs of a large expansion footprint; therefore, Staff believed that additional analysis was needed. After meeting with Town of Plattsburgh officials who knew the expansion areas well, Staff requested another run of the model applying the Town's input and inviting NYSEG to offer inputs it believed warranted exclusion or inclusion.

On March 19, 2014, the Company submitted its last economic model (March 19 Economic Model). On March 26, 2014, at Staff's request, NYSEG submitted a proposed build-out plan based upon its March 19 Economic Model (March 26 NYSEG Build-out Plan). The March 19 Economic Model included significantly higher per foot installation costs throughout the proposed expansion areas than the Company's earlier cost estimates. In the resulting March 26 NYSEG Build-Out Plan NYSEG did, however, propose to commence construction in 2014 to customers near existing mains. Over the remaining four years of the proposed March 26 NYSEG Build-out Plan, the Company would offer expansion to areas of the Town beyond those in its November 1 Petition.<sup>13</sup>

The Company's March 19 Economic Model cost estimates to reach the Cumberland Head peninsula increased from \$50 per foot to \$60 per foot for 2" main and to \$66 per foot for 4" main. The Company justified the increase because of additional rock formations it believed would have to be bored or blasted in order to install pipe. The cost estimates also assumed that rock would be encountered throughout the installation of the

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<sup>13</sup> Between submission of its November 2013 Economic Model and the March 19, 2014 Economic Model, NYSEG submitted its final Environmental Assessment Form.

Cumberland Head area. Further, the Company increased the assumed average length and cost of service line installation [per customer] from 60 feet to 80 feet with a unit cost increase from \$13.05 to \$30 per foot. The Company stated that it updated its average service lengths because of the variation in the setback of homes along the proposed expansion areas and to update the unit cost based on more recently experienced costs. The Company's estimated main costs associated with the Cumberland Head area, therefore, increased from approximately \$4.2 million to \$5.3 million.<sup>14</sup> These changes increased significantly the estimated customer contributions needed to achieve economic feasibility. The Company's March 19 Economic Model showed various expansion scenarios that ranged from a smaller expansion that included 404 customers with a total annual surcharge of \$224 to the largest expansion that included a likely addition of 1,115 customers (and a maximum potential of 1,300 customers) with a total annual surcharge of \$1,193 for 10 years.

#### Staff's Investigation

Given NYSEG's sudden and extreme increase in estimated construction costs, Staff believed that the Company's March 19 Economic Model warranted a field investigation to confirm its reasonableness. Therefore, Staff visited Plattsburgh with Town officials and the Company on April 24, 2014 and reviewed the March 26 NYSEG Build-out Plan (1) to evaluate whether the Company's March 19 Economic Model's increased cost estimates had

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<sup>14</sup> Increases to capital costs generally will increase customer contributions as will the available number of potential customers in the selected footprint.

a basis in fact and (2) to determine what cost saving measures, if any, could be used to reduce the Company's higher estimates.

On April 24, 2014, Staff confirmed that the Town had already trenched a route through to the Cumberland Head peninsula, something NYSEG's cost estimates had not considered. The Town offered NYSEG the use of the trenches so the Company could avoid its newly estimated higher construction costs.

Staff then developed its own economic model based on its investigation (Staff's Economic Feasibility Study). Specifically, Staff recommends reducing the overall estimated average cost to install main from the Company's estimate of \$60 and \$66 per foot to \$40 and \$46 per foot for 2" and 4" main, respectively. These unit costs to install main take into consideration NYSEG's construction in trenches that avoid rock by using already disturbed terrain in the vicinity of existing utilities.

In addition to using already existing trenched routes to reach Cumberland Head (in particular), easements that NYSEG did not consider using exist, which would further reduce the lengths of main and costs to serve the expanded franchise area. For example, Staff found that the Town used an easement to expand its water distribution system along the Cumberland Head area in order to avoid long expansions of water main through roadways with vacant land.

Staff also found in its investigation that NYSEG's proposed service lines varied greatly among the different expansion areas. Staff witnessed some locations where the existing service lines were within 60 feet of new customers and others where the distance appeared to exceed 100 feet. To address this variation, because the longer distances would have to be subsidized by all new customers in the CIAC Surcharges to achieve economic feasibility, Staff used the average of 75 feet

per service line per customer in its forecast as a compromise.<sup>15</sup> Further, to keep the overall cost of the expansion down, any customer with a service line extension beyond 100 feet, in Staff's view, would be required to pay the incremental cost consistent with the Commission's service extension rules. Staff's recommendations factored in service line and main cost savings for the estimated capital expenditure forecast, removed subsidized costs associated with service lines exceeding 100 feet, and reduced the overall customer contributions needed to achieve economic feasibility. The Staff Economic Feasibility Study and Modified Build-out Plan are based on the likelihood that 849 customers would take service with a maximum potential of 1,200 customers.

#### DISCUSSION

Pursuant to Public Service Law §68, after a utility has entered into a franchise agreement with the locality in which the service will be provided, the utility must obtain Commission approval to exercise the franchise. Section 68 requires utilities with franchises to obtain Commission approval and states, "[i]n making such a determination, the commission shall consider the economic feasibility of the corporation, the corporation's ability to finance improvements of a gas plant or electric plant, render safe, adequate and reliable service, and provide just and reasonable rates, and whether issuance of a certificate is in the public interest." The Commission has interpreted PSL §68 to require that, before any mains or services are installed, a utility's franchise expansion must be economic for ratepayers; that is, such expansion must not unduly

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<sup>15</sup> NYSEG originally used 60 feet for its average service line length estimate then increased it to 80 feet in its March 19 Economic Model.

burden current ratepayers by adding to rate base unnecessary costs associated with plant additions for which no demand exists.

#### Gas Expansion Policy Statement

The November 1 Petition, like NYSEG's 1997 petition, must conform to our 1989 Policy Statement, which offered guidelines to gas utilities on what the Commission would consider to be reasonable procedures and costs for expansions of gas service. The 1989 Policy Statement established, among other things that if a franchise proposal is projected to earn the allowed rate of return by the end of a five year development period, all investments and revenues related to the expansion will be afforded normal rate treatment. If the rate of return is expected to be less than the utility's allowed rate of return by the end of the development period, rate determinations during the development period will include imputations equal to the projected average revenue deficiency during the development period. During the development period, the utility has the option of imposing a surcharge on customers in the expansion area.

The 1989 Policy Statement also allows for the consideration of alternative standards or measurement of the economic feasibility of new franchise expansions when justified. Specifically, it states, "[a]lternative standards of measurement of economic feasibility of new franchise expansions may be considered by the Commission upon adequate showing by the utilities."<sup>16</sup> The 1989 Policy Statement also states the Commission would "permit consideration of other factors [not

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<sup>16</sup> 1989 Policy Statement at 18, Guideline 7.



included in the guidelines] upon adequate showing by an applicant.”<sup>17</sup>

#### Expanded CPCN

Plattsburgh’s request for a town-wide CPCN is reasonable. A town-wide CPCN will allow the ready extension of service to new gas customers without the need for the Company to return to the Commission each time an area of expansion within Plattsburgh is requested. Plattsburgh is undergoing significant development; therefore, a ready ability to provide gas service is necessary and in the public interest. Because this order not only approves but actually requires construction in accordance with Staff’s Modified Build-out Plan, NYSEG is required to consider the environmental impact prior to actual construction.

#### Environmental Quality Review

On February 27, 2014, NYSEG submitted an amended full Environmental Assessment Form (EAF), which it had updated based upon the EAF submitted to the Commission in 1997. Staff worked with NYSEG to identify environmentally sensitive areas. NYSEG must obtain the necessary approvals from the pertinent federal, state, and local authorities when construction of gas extensions to these areas occurs in the future.

The Commission assumed Lead Agency status in the issuance of its 1997 CPCN pursuant to the State Environmental Quality Review Act (SEQRA) and its implementing regulations (6 NYCRR Part 617 and 16 NYCRR Part 7). The SEQRA review conducted then considered potential impacts to land use, cultural, visual, natural and historic resources throughout Plattsburgh from the partial exercise of the town-wide franchise Plattsburgh granted

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<sup>17</sup> 1989 Policy Statement at 6.

to the Company.<sup>18</sup> In 1997, the Company considered the potential adverse effects of exercising a franchise to extend natural gas supply on rare, threatened and endangered species, visual, historic and cultural resources, existing and future land and recreational uses and natural resources.

Having carefully considered the provisions of 6 NYCRR §617.5(c), which sets forth those actions previously determined by the Department of Environmental Conservation not to have a significant impact on the environment, we conclude that the extension of gas distribution lines in connection with licensing activities relating to the qualifications of businesses to engage in their business is a Type II action not subject to further review under SEQRA, unless such extension is a Type I action as defined in 6 NYCRR §617.4(b).<sup>19</sup> In this case, the proposed action is a Type I action because it involves the physical alteration of ten acres or more in that we are not only approving the installation of distribution lines in connection with the grant of a license to NYSEG but also are requiring the Company to make improvements in its gas distribution system.<sup>20</sup> Thus, the Commission, (as Lead Agency) must comply with SEQRA and its implementing regulations and determine whether the

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<sup>18</sup> "Grant of Franchise From the Town of Plattsburgh New York to New York State Electric and Gas Corporation," February 6, 1997.

<sup>19</sup> See 6 NYCRR §§617.5(c)(11), (9), and (24); 6 NYCRR §617.5(b)(2). See also Houser v. Finneran 99 A.D.2d 926(3rd Dept. 1984). As a state agency, the Commission must conduct a review of the impact of projects over which it has approval authority on the quality of any property listed or eligible for listing on the State or National Registers of Historic Places, pursuant to §14.09 of the Parks, Recreation and Historic Preservation Law.

<sup>20</sup> 6 NYCRR §617.4(b)(6)(i).

action in question may have a significant adverse impact on the environment.

Because of the extent of the system improvements we will require, the environmental review we conduct must be comprehensive enough to ensure that future expansions will be consistent with our current environmental findings. SEQRA requires that the cumulative effects of our approval of the action in question be considered in addition to the immediate effects of construction. Additional expansion of the natural gas system (and additional infrastructure) may encourage growth and development in areas of the Town that are not currently fully developed and our decision in no way usurps the authority of the Town or other jurisdictions to review and approve future local development. If NYSEG uses previously approved rights-of-way, or expands into areas that have been previously disturbed such that activities in these areas have previously been considered under SEQRA, further review may not be necessary. The Company is, nonetheless, required to provide to the Secretary notice of NYSEG's intent to construct, as well as evidence of prior SEQRA review, and copies of permits obtained.

On February 27, 2014, the Company filed an amended full EAF with the Secretary. We distributed notice of the Company's amended full EAF to potentially interested parties on March 4, 2014 and solicited additional comments on NYSEG's petition. Comments were received from Plattsburgh supporting the provision of natural gas service throughout the Town, but desiring an increased effort from the Company in responding to, and supporting, customer requests for receiving natural gas service.

By this order, the Commission grants NYSEG, with conditions, an amended CPCN. These conditions require NYSEG to submit Compliance Filings for areas not using existing rights of

way which shall describe, in detail, the future expansion. The filings shall indicate whether there is joint trenching with municipal or other construction projects (especially other utility projects such as underground water, sewer, electric and phone); whether there are easily-excavated soft surfaces or little pavement, fixture and appurtenance restoration that would be required; and whether any natural, cultural or historic resources would be adversely affected by the proposed future installation. Compliance Filings shall also include, but not be limited to, copies of consultation letters (with the State Historic Preservation Office, US Fish & Wildlife Service), permits (from the Department of Environmental Conservation, Department of Transportation, county or town) or other approvals and construction drawings (including as-built diagrams following construction). NYSEG shall also identify any changes, modifications, or deviations from the Modified Build-out Plan during the development period and provide sufficient justification for such alterations before commencing construction. In addition, the Company must submit detailed information on planned distribution line construction to be installed during Staff's Modified Built-out Plan development period for Staff review. If, based on the content of such information, Staff finds further Commission review is necessary on any given proposal, Staff will inform the Company and construction will not be allowed to begin until the Company allows time for Staff field review, investigation and/or inspection. As SEQRA Lead Agency, the Commission reserves the right to solicit additional comments from the public and/or involved agencies in these instances. Since a full EAF and supporting documentation have been submitted with the pending petition for amending the CPCN and exercising the entire

franchise, copies of each component project's permits or authorizations are required to be provided to the Secretary.

Our environmental review of any potential adverse effects on human health and the environment is based on the Company's project description, including proposed construction methods and techniques, the EAF, Company responses to Staff information requests, field reconnaissance, prior data and information obtained in Case 97-G-0706 et al., and an assessment and analysis of the potential for future natural gas service expansion. No change in land use directly resulting from, or required for, the installation of future gas facilities for this Type I action is allowed or granted by this Order.

Pursuant to the criteria for determining significance in 6 NYCRR §617.7(c) and the requirements of 6 NYCRR §617.7(e), a Negative Declaration was adopted and is being issued at the same time as this order.

#### Land Use

The Town of Plattsburgh is characterized by rural land and sparse to moderately developed areas near the municipal boundary with the City of Plattsburgh. The Clinton County airport and the Plattsburgh International airport (the former Plattsburgh Airbase) feature relatively well-developed industrial uses adjacent to their facilities.

Many of the presently considered extensions are intended to serve residential customers found along local streets and roads. Areas of the Town in proximity to the City of Plattsburgh boundary and in the more-densely developed corridors along major vehicle arteries like Routes 3, 374 and NYS Route 9 lie within the franchise exercise area that was granted approval in Case 97-G-0706 and currently receive natural gas service.

### Agricultural Districts

Clinton County Agricultural District #7 lies within the Town. Portions of the Cumberland Head peninsula are included in District #7 and some limited areas at the eastern end of the Town north of Route 374 also comprise District #7.

The NYS Department of Agriculture and Markets has established standards for pipe construction where active agricultural lands may be affected. Those standards are described in detail in *PIPELINE RIGHT-OF-WAY CONSTRUCTION PROJECTS, AGRICULTURAL MITIGATION THROUGH THE STAGES OF PROJECT PLANNING, and CONSTRUCTION/RESTORATION AND FOLLOW-UP MONITORING*.<sup>21</sup>

Because the Company proposes to use existing roadway rights of way in areas also included within Clinton County Agricultural District #7, few active agricultural lands will experience significant adverse effects that would compromise long-term agricultural productivity. Where construction and installation of pipeline would occur outside of prior-disturbed areas in the vicinity of agricultural lands, adequate burial is required commensurate with the Department of Agriculture and Markets standards.

### Historical and Cultural Resources

In response to NYSEG's 1997 CPCN request, the State Historic Preservation Office (SHPO) recommended the adoption of avoidance and mitigation measures for archaeological and historic cultural resources if they are encountered.<sup>22</sup> After reviewing NYSEG's most recent EAF, by letter dated December 9,

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<sup>21</sup> NYS Department of Agriculture and Markets, Rev. 2-11, Albany, NY.

<sup>22</sup> See Case 97-G-0706, "State Historic Preservation Act Review," (issued June 27, 1997) at 8.

2013, the SHPO determined that the proposal would have "...[n]o Impact on cultural resources in or eligible for inclusion in the State and National Register of Historic Places."<sup>23</sup> Proposed service extensions within the previously authorized franchise exercise are not expected to encounter artifacts or resources that are historically sensitive, especially given that most of the proposed alignment of the service lines would be in prior-disturbed lands along existing streets and highways. In Case 97-G-0706, Staff recommended that the Company determine and report on the results of any further investigations for line construction that were not surveyed in its original Phase 1 and 2 historic assessment or that may require further study after further consultation with the SHPO.<sup>24</sup> These standards continue to apply and the Company is required to report to Staff and to the SHPO if any historic or cultural resources that were not already cataloged are encountered during construction.

#### Streams and Wetlands

A major feature of the Town is the Saranac River which forms most of the Town's southern border, feeding into Lake Champlain, and bisects the City of Plattsburgh. NYSEG inventoried over 30 additional streams classified by the NYS Department of Environmental Conservation (DEC). Crossings of any navigable water body that are not to be conducted with drilling or boring methods in order to avoid adverse impacts to water quality require permitting by the appropriate regulatory

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<sup>23</sup> Ruth L. Pierpont, Deputy Commissioner for Historic Preservation to Gary Palumbo, AICP, dated December 9, 2013.

<sup>24</sup> See Case 97-G-0706, Curtain, Edward and Kerry Nelson for Northern Ecological Associates, "Stage 1A, Stage 1B and Stage 2 Archaeological Surveys, Town of Plattsburgh, Clinton County," Canton, NY, dated June 1997.

and resource agencies (U.S. Army Corps of Engineers and the DEC). Where possible, gas service pipe alignment coinciding with existing structural crossings will allow aerial crossing to avoid water quality impacts. The Company has adopted Environmental Management and Construction Standards and Procedures (EM&CS&Ps) that prove adequate for temporary disturbances associated with crossings of streams and will be applied in the town-wide CPCN.

Over 70 wetland areas have been inventoried within the Town limits. Where wetlands are anticipated to be crossed, measures similar to those described above that avoid or minimize adverse impacts to these resources shall be used. If crossings are otherwise unavoidable, the Company shall seek such required permits; the sites are to be restored to pre-construction condition and function.

#### Rare, Threatened and Endangered Species

As a condition of the CPCN (Ordering clause #10), the Company must provide documentation from the NYS Natural Heritage program and the U.S. Fish and Wildlife Service verifying the absence of any rare, threatened or endangered species of plant or animal within the area approved for service in this order or any future project vicinity. Should such a sensitive resource be located in the project vicinity, the authority having jurisdiction is expected to dictate any management measures or specific avoidance activities to be undertaken to protect sensitive wildlife resources.

#### Vegetation Protection

A number of large trees exist within the project corridors that require protection during construction activities. Whenever possible, the Company and its agents



(e.g., contractors) must avoid destruction of any large tree in the project corridor. Generally, any vegetation removed during project installation must be replaced with the same species and type of plant material. Where potential conflicts with existing vegetation arise and are unavoidable, the Company and its agents must use management techniques, like tying back branches and limbs or directionally boring beneath large trees, to further reduce the potential for damage or destruction.

#### Adequacy of Pipeline Capacity

NYSEG's Plattsburg service territory receives its gas via the North Country Pipeline, which travels from the US/Canadian border down to Plattsburgh. NYSEG has under contract enough pipeline capacity to serve the estimated peak day requirement for its Town of Plattsburgh service territory. This includes the demand created by adding Nova Bus and the currently unauthorized customers. NYSEG has further stated that sufficient capacity is available to meet the needs of the new customers expected to be attached by the Company with this planned expansion. Available capacity is not a limiting factor.

#### ECONOMIC FEASIBILITY

Staff collaborated with both the Company and the Town to achieve a thorough analysis brought here for our consideration. The Town weighed in on the reasonableness of the footprint proposals and the reasonableness of the customer charges that may result, primarily what CIAC Surcharges would realistically allow Plattsburgh residents to afford gas conversions. The Town also alerted Staff to areas of likely new customers and offered information on other cost saving opportunities that would provide for a larger and potentially more successful build-out plan. Given the current cost savings

associated with switching to natural gas from alternative heating fuels such as oil, which most un-served Plattsburgh residents now use to heat their homes, the Town believes that residents' cost savings could directly contribute to the local economy and further spur economic development within the Town. It also anticipates gas conversions would provide low-income or fixed-income residents with financial relief through reduced heating costs.

#### Survey Results and Potential Savings to Customers

NYSEG's survey results showed that more than 900 customers were interested in converting to natural gas. Over 74% of the responding customers claimed that they were very interested in converting to gas service of which 64% would connect as soon as possible. It appears, therefore, that potential customers are aware of the prospective fuel savings of converting to natural gas. Based on recent Energy Information Administration (EIA) forecasts, customers are forecasted for the foreseeable future to realize the current price advantage of natural gas as compared to alternative heating fuels.<sup>25</sup> Specifically, the estimated fuel savings for a typical Plattsburgh residential heating customer, commercial heating customer and the Cumberland Head Elementary School, respectively, exceeds \$2,000, \$4,000, and \$40,000 annually.

As shown in Appendix D, using local conversion cost estimates and Staff's resulting CIAC in estimating the breakeven point of a typical residential heating customer, the customer realizes savings sometimes as early as the first year of

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<sup>25</sup> Source: Energy Information Administration: *AEO2012*. June 2012; *Natural Gas Price Data*.  
[http://www.eia.gov/dnav/ng/ng\\_pri\\_sum\\_dcu\\_nus\\_m.htm](http://www.eia.gov/dnav/ng/ng_pri_sum_dcu_nus_m.htm)

conversion and, at least, by the fourth year, depending on the extent of conversion costs (e.g. burner orifice change from propane use, burner replacement, new furnace, new direct vent gas stove) for existing propane and fuel oil customers. Therefore, Staff's application of the survey results, current fuel prices, estimated savings, and recognizing that customers will bear conversion costs (e.g. burner orifice change from propane use, burner replacement, new furnace, new direct vent gas stove) reasonably supports the feasibility of a town-wide gas expansion and Staff's Modified Build-out Plan.

#### Sales Forecast

The Company in its economic feasibility model used a separate model to impute the projected revenues for the 326 existing, unauthorized, customers. The Company forecasted \$369,198 in total revenues from these customers. Staff, for its forecast, used an average of the last three years of actual revenues, as provided by the Company, \$384,787, to estimate revenues from the 326 customers. Staff thought this to be a reasonable forecast because a three year average includes annual variability of revenues caused by fluctuations in weather.

As shown in Appendix D, Staff's forecast of new customers along existing mains was projected to be high in the ramp year 2014 due to the long list of customers along these mains who have been waiting to convert to gas. The other potential customer conversions were spread over the remaining years of the ten-year development period, which results in a reasonable forecast conversion rate of 72% for Residential Heating, 44% Residential Non-Heating and 98% for Commercial customers. Staff believes, based on the survey results, that the potential savings among the different customer classes, the use of a more conservative conversion forecast and the existing

waiting list of customers along the existing unapproved mains, these sales forecasts are reasonable. Staff estimates, therefore, that an initial footprint extending service to over 1200 potential customers, with a volumetric CIAC Surcharge rate of \$0.282 per therm (which results in an annual average residential customer cost of \$300), will provide new customers sufficient incentive to convert to natural gas and protect existing customers from undue subsidization.

NYSEG comments that Staff's Economic Feasibility Study is too ambitious because it forecasts that NYSEG will connect 98% of non-residential customers who responded to the survey. The Commission disagrees. Staff's Economic Feasibility Study is reasonable because the savings non-residential customers can achieve by converting to natural gas are substantial given the current price of natural gas. Moreover, Plattsburgh is undergoing economic development. Judging alone by the number of customer requests during the pendency of this case, it is not unreasonable to forecast that most non-residential customers who have expressed an interest in gas service will complete the conversion process.

Staff's recommended customer forecast and associated revenues are adopted. Staff's inclusion of the revenues, expenses, and capital investment associated with the 326 customers NYSEG attached between 2007 and 2012 outside of its approved service area was made at the Commission's direction. Had those 326 customers not been connected and had the Company appropriately analyzed, planned, and petitioned for an amendment of its CPCN, the revenues, expenses and capital investment associated with the 326 customers would have been included in that economic feasibility petition. Further, NYSEG has been over earning on these 326 customers in the last number of

years.<sup>26</sup> Currently unserved customers should not be placed at a financial disadvantage by keeping the 326 customers out of the current economic model even though they are current customers. For this reason, as required in the Nova Bus Order, the revenues associated with Nova Bus and these attached customers must be imputed into the economic feasibility model and used for determination of the feasibility for a more comprehensive expansion proposal.

### Capital Expenditures

Most of the economic model proposed by NYSEG is acceptable. The Commission does, however, adopt Staff's estimated costs to install gas services and rejects NYSEG's because NYSEG did not consider the potential reductions in costs from using common trenches and easements.<sup>27</sup> Staff's estimated costs better reflect the fact that, in installing water and sewer service, the Town has already blasted through most of the rock formations necessary for NYSEG to install gas main in the build out areas. NYSEG can use the trenches already disturbed by the Town when NYSEG installs gas facilities.<sup>28</sup> While NYSEG claimed that the existence of municipal services would increase the cost and decrease safety to install gas facilities, in fact,

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<sup>26</sup> For instance, in 2012, NYSEG over earned by 2.61% which equates to \$39,970 in excess revenues.

<sup>27</sup> In its comments, NYSEG continues to ignore the savings associated with these two measures.

<sup>28</sup> Other NYSEG CPCN amendment petitions pending before the Commission are not on the same schedule as this petition. Therefore, it was reasonable for Staff not to consider cost synergies at this time. However, if such synergies occur during the build-out of services, those synergies will further reduce NYSEG's construction costs.

they will decrease NYSEG's costs and be safer. Safety should not be compromised because the new gas facilities will be placed above, not below, Town facilities and NYSEG, or a contractor working for NYSEG, will be the one installing them. For these reasons, Staff's lower estimate of capital costs is adopted.

#### Development Period

The Company submitted a number of financial models recommending different expansion footprints and customer contributions. The Town advocated for providing as many of its residents and businesses access to natural gas service as possible. Staff used an iterative process to develop the Staff Economic Feasibility Study and Modified Build-out Plan over a ten-year development period, which took into account the Town's recommendations regarding the affordability of customer contributions. The resulting CIAC Surcharge of \$0.282 per therm over a ten-year development period provides a rate of return at the end of the tenth year of 7.5%, which meets the current allowed rate of return for the Company. The projected revenue deficiency over the ten-year development period is approximately \$120,000 per year with a revenue surplus forecasted to commence after the development period. In NYSEG's March 19 Economic Model, the largest Company proposed expansion included surcharges of \$1,193 annually and projected the likelihood of connecting 1,100 customers (and over 1,300 potential customers) over the ten years.

In its comments, NYSEG notes that Staff's Modified Build-out Plan projects only 80% of the number of new customers projected by the Company. While this is true, Staff is correct that, particularly when conversion costs to customers are considered, an additional annual cost of \$1,193, required in the Company's largest build-out plan, will not provide customers

sufficient savings to encourage them to convert to natural gas. Therefore, Staff's adjustment to the Company's economic assumptions, by recommending a reduced initial footprint to a maximum 1,200 potential customers, and requiring a CIAC Surcharge unit rate of \$0.282 per therm to the new customers of new expansion areas (annual average residential, residential non-heating, and commercial customer CIAC Surcharge of \$300, \$80 and \$733 respectively), is adopted.<sup>29</sup> Staff's approach allows for an expansion that meets the system rate of return by the end of year ten and the customer contributions within the development period still allows for sufficient annual savings to encourage conversion. Finally, beyond the development period, the expansion positively contributes to the system's rate of return.

Staff's forecast includes the likelihood that 788 residential customers and 61 general service customers (Nova Bus, Elementary School and others) (849 forecasted customers, 1,210 potential customers) will convert to natural gas during a ten-year development period. Staff based its annual net revenues on currently effective gas rates, which are expected to remain constant for the foreseeable future, and estimated customer usage from the Company's own analysis (which was provided to Staff as part of a related information request). Staff's net plant additions were based on reasonably estimated costs of the size of the main, services, and necessary appurtenances using the both Company provided unit pricing and Staff recommendations to more reasonably reflect the lower capital costs.

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<sup>29</sup> The CIAC Surcharge shall apply only to new customers of new expansion areas as listed in Staff's Modified Build-out Plan. Customers along existing mains of unapproved areas shall be excluded from this CIAC Surcharge.

Staff's proposals best balance NYSEG's request to extend service to as many residents as possible while protecting existing customers from unduly subsidizing an uneconomic expansion. Adopting a five-year development period would produce very high customer CIAC Surcharges in order to meet the system average rate of return in the fifth year. Such large contributions would either deter customers from connecting altogether or require a significant reduction in the initial expansion area in order to reduce the needed customer contributions to a reasonable level. Moreover, although the ten-year development period may create a temporary subsidy to both the Company and existing customers, this is acceptable because the CIAC Surcharge eliminates any long-term subsidy. While recognizing the CIAC Surcharge revenues in the next rate proceeding does not alleviate immediately the burden placed on existing customers during the development period, the temporary subsidy is a fair trade for the potential long-term benefits to all customers. The additional contributions from customers included in the new expansion areas of Staff's Modified Build-out Plan removes any long-term subsidy from existing customers. Further, the density of potential customers along Staff's Modified Build-out Plan will most likely allow for the forecasted customer attachments to be achieved, among whom the cost of service in the future can be spread, which also will benefit all customers.

In asking NYSEG to propose a ten-year development period as an alternative to the five-year development period, a possibility envisioned by our 1989 Policy Statement, Staff made a reasonable choice to try a new approach to allow for gas expansion in Plattsburgh. We recognize that increasing the development period places a larger risk of having to pay a long-term subsidy on the existing customer base; however the CIAC



Surcharge removes that subsidy by the end of the development period. Using a ten-year development period, moreover, allows more time for Plattsburgh customers to attach to the system, which will provide additional revenues in the long term, allow more new customers to share the CIAC Surcharge payments, while also reducing the necessary CIAC Surcharge. Moreover, customers in Plattsburgh are eager to convert to natural gas. In fact, 144 of them are currently on a waitlist to receive service once we approve this amended CPCN. It may be, therefore, that NYSEG will achieve the allowed rate of return in less than ten years, at which point all CIAC Surcharges will end. For these reasons, Staff's Modified Build-out Plan and Economic Feasibility Study are adopted.

#### Customer Information

During this case, Town of Plattsburgh officials repeatedly expressed a desire for NYSEG to better explain to new customers the process of obtaining gas service. Undoubtedly, providing gas service to customers in rural areas can be costly, time consuming, and complicated. Therefore, to assist Plattsburgh residents who seek gas service, NYSEG shall, as described below, take further steps to assist potential customers in making informed decisions as to whether or not to become gas customers.

Before the start of construction of each phase in Staff's Modified Build-out Plan, NYSEG shall notify potential customers about the project schedule and provide them with a source for additional information (e.g., Company, Town, and Staff contact names and telephone numbers). Second, before accepting an application for service from a residential customer, NYSEG shall have previously provided such customer with the following information: (1) an estimate showing what

each of the various sized customers will be billed by the Company on an annual basis during the development period, including a breakdown by billing component (e.g., rates, GSC, taxes, surcharges); (2) an estimate of the inquiring customer's total annual bill (including all billing components) that the customer can expect to receive from the Company in the first year as compared to the estimated first year annual bill for each of the alternative fuels available in the Company's service territory, based on the then current price of alternative fuels. Such bill estimates shall be identified separately for space heating, water heating, and seasonal uses, and include a reminder that the potential customer should confer with gas equipment providers and installers to ascertain probable conversion costs before making a decision to convert; and (3) information on any available rebates being offered by NYSEG or the New York State Energy Research and Development Authority (NYSERDA).

During the Company's construction of Staff's Modified Build-out Plan and until that plan is completed, the Company shall maintain a record of all customer inquiries and requests for gas service. The record should include the date a customer inquired, their address, what documents NYSEG provided to the customer, if any, and how the inquiry or request was finally resolved. These requirements will fulfill NYSEG's obligations under Public Service Law §30 to assist new customers in the provision of gas service.<sup>30</sup>

#### Ordering Service Extensions

Public Service Law §66(2) states that the Commission shall "have power to order [gas distribution companies to make]

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<sup>30</sup> See 16 NYCRR §11.3(a)(4).

such reasonable improvements as will best promote the public interest." The record supports a finding that NYSEG has chosen to construct gas services to customers outside of its 1997 CPCN in large part because it was least costly to the Company to do so. In response to NYSEG's unauthorized expansions to the 326 customers during which the Company failed to install services to customers within the Company's 1997 CPCN areas, we are ordering NYSEG to begin the installation of service to customers in the new expansion area in 2014.<sup>31</sup> First, NYSEG shall clear the current backlog of customers waiting for gas service who live within the 1997 CPCN. Then, NYSEG shall begin construction of service in 2014 to customers in the new footprint who have already requested service and who reside along existing gas mains. Construction to these two sets of customers shall be completed within the 2014 construction season.<sup>32</sup>

Further, the ramp year and years one through three of Staff's Modified Build-out Plan includes expansion into new areas and the Cumberland Head peninsula. Residents in Cumberland Head have been discussing the possibility of receiving gas service with NYSEG for many, many years.

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<sup>31</sup> Matter of Pennsylvania Gas Co. v. Pub. Serv. Comm., Second District, 225 NY 397 (1919) [a utility's obligation to serve accepted as part of its franchise agreement].

<sup>32</sup> See Utica Corp. v. Feinberg, 277 App.Div. 464 (1950) [in which the court upheld a PSC order requiring Hamilton College to provide service to an area, which was within "an area which the petitioner was already committed to serve"]; see also Rochester Gas and Electric Corp. v. Public Serv. Comm'n, 71 NY2d 313 (1988) [in which the court held that RG&E "is not an ordinary corporation -- it is a public utility. It operates pursuant to government license and with the advantage of municipally awarded franchises and has become 'clothed with a public interest'"]; compare Crescent Water v. Public Service Comm'n, 77 NY2d 611 (1991) [in which the Court reversed a Commission order requiring Crescent Water to serve customers outside of its service territory].

Therefore, beginning as soon as construction season begins in 2015, NYSEG shall commence construction of gas service to the Cumberland Head peninsula.<sup>33</sup> NYSEG shall, by October 1, 2016, complete gas service to North Cumberland Head. In accordance with Staff's Modified Build-out Plan, the Company shall then connect other densely populated areas within the Town.<sup>34</sup> NYSEG shall complete construction in accordance with Staff's Modified Build-out Plan by 2017. NYSEG shall submit to the Secretary to the Commission a progress report at the end of each calendar year.

#### CONCLUSION

Staff's Economic Feasibility Study indicates that, using a ten-year development period, along with Staff's Modified Build-out Plan, will conform to the goals in our 1989 Policy Statement and our policy of encouraging gas expansion. Staff's Modified Build-out Plan applies an economic test to a potential of over 1,200 Plattsburgh customers being added in the coming ten years, which is reasonable given the affordability of natural gas. The remaining portions of the un-served franchise area and the excluded lower customer density areas that contain more costly and remote expansion to customers shall be addressed

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<sup>33</sup> In its comments, NYSEG misreads Staff's Modified Build-out Plan as requiring that the Company complete construction in 2015.

<sup>34</sup> This requirement is also consistent with NYSEG's comments - that North Cumberland Head be fully built out by the end of 2016.

in accordance with the Company's main extension rules and the Company's Tariff.<sup>35</sup>

The extended benefits of adopting Staff's proposals includes the economic benefits of increased development in Plattsburgh due to the construction of this project and the expected continued availability of gas as a lower cost heating fuel. Increasing the availability of natural gas to the community may also have the added benefit of business attraction, retention, and expansion.

For these reasons and the others in this order, and based upon the recommendations by Staff, including Staff's Modified Build-out Plan (Appendix C), the Commission determines that a town-wide CPCN in the Town of Plattsburgh is in the public interest. The Commission authorizes NYSEG to expand its Town of Plattsburgh CPCN to the entire Town of Plattsburgh and directs it to establish an initial expansion footprint that allows NYSEG to earn a fair return to serve new customers by year ten and in accordance with the compliance requirements as discussed in this order.

The Commission orders:

1. New York State Electric and Gas Corporation's request for approval to amend its 1997 CPCN by expanding it to the entire Town of Plattsburgh franchise area is approved.

2. The Department of Public Service Staff Modified Build-out Plan described in this order is adopted.

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<sup>35</sup> Because the CPCN will now be town-wide, customers beyond the footprint will be able to receive gas service pursuant to our 16 NYCRR Part 230.3 expansion rules. See 16 NYCRR §230.3 and PSC 90 Leaf 4, Section 2 RULES RELATING TO THE INSTALLATION OF MAINS, SERVICES, EXTENSIONS, ETC. In conjunction with this plan, NYSEG is to remind customers that they may dig their own trenches and must call 811 before doing so.

3. Department of Public Service Staff's Economic Feasibility Study, including a ten-year development period, as described in this order, is adopted.

4. New York State Electric and Gas Corporation shall complete construction of gas plant in 2014 to customers within the 1997 CPCN who have requested gas service as of the date of this order.

5. New York State Electric and Gas Corporation shall New York State Electric and Gas Corporation shall complete construction of gas service lines in 2014 to customers who have requested service and who reside along existing mains in specified areas within Department of Public Service Staff's Modified Build-out Plan set forth in Appendix C.

6. New York State Electric and Gas Corporation shall commence construction of gas plant to the Cumberland Head peninsula in 2015 and shall, by October 1, 2016, provide gas service to North Cumberland Head customers who have requested service.

7. New York State Electric and Gas Corporation shall provide gas service to customers outside the Department of Public Service Staff Modified Build-out Plan according to the requirements of 16 NYCRR Part 230. New York State Electric and Gas Corporation shall inform such customers that they may dig their own trenches to save on installation costs after such customers have called Dig Safely New York (811).

8. New York State Electric and Gas Corporation shall report in detail to the Commission at the end of each calendar year the progress that has been made in meeting the timeline of the Department of Public Service Staff Modified Built-out Plan, and explain why, if any services required by this order to be installed have not been installed. Each report shall include the anticipated completion date of construction of the

Department of Public Service Staff Modified Build-out Plan that has not been completed.

9. New York State Electric and Gas Corporation shall submit a Compliance Filing not less than 30 days prior to construction of each expansion of service that does not use an existing right-of-way. Such filings shall include: (1) an indication whether joint trenching with municipal or other construction projects is being used; (2) whether there are easily-excavated soft surfaces or little pavement, fixture and appurtenance restoration that would be required; (3) whether any natural, cultural or historic resources would be adversely affected by the proposed future installation; (4) copies of consultation letters (from, e.g., the State Historic Preservation Office, US Fish & Wildlife Service), permits (from, e.g., Department of Environmental Conservation, Department of Transportation, county or town) or other approvals and construction drawings (including as-built diagrams following construction); (5) any changes, modifications or deviations when implementing the Department of Public Service Staff Modified Build-out Plan, with sufficient justification for such alterations, before commencing construction; (6) the extent to which sensitive environmental areas that have been identified in the Environmental Assessment Form and supporting documentation will be disturbed; (7) copies of notice to authorities having jurisdiction over such areas; and (8) plans for the avoidance or mitigation of any impacts on such areas.

10. New York State Electric and Gas Corporation shall report to Department of Public Service Staff and to the State Historic Preservation Office if any historic or cultural resources that were not already catalogued are encountered during construction of any service line.

11. New York State Electric and Gas Corporation shall file with the Secretary documentation from the NYS Natural Heritage program and the U.S. Fish and Wildlife Service verifying the absence of any rare, threatened or endangered species of plant or animal within the current or future project vicinities. Should such sensitive resource be located in a project vicinity, the authority having jurisdiction will dictate any management measures or specific avoidance activities to be undertaken to protect sensitive wildlife resources.

12. Whenever possible, New York State Electric and Gas Corporation and its agents (i.e., contractors) shall avoid disturbance to any large tree in the project corridor. Any vegetation removed during project installation shall be replaced with the same species and type of plant material. No non-native species of plant material shall be replaced. Replaced vegetation shall be monitored for one year to insure viability. Where potential conflicts with existing vegetation arise and are unavoidable, New York State Electric and Gas Corporation and its agents shall use management techniques, such as tying back branches and limbs or boring beneath large trees, to further reduce the potential for damage or destruction.

13. New York State Electric and Gas Corporation shall notify Department of Public Service Staff in advance of any service extensions made outside the Department of Public Service Staff Modified Build-out Plan during the development period, or proposed changes in routing and construction methods, either orally or in writing, and make no subsequent changes without Department of Public Service Staff approval.

14. New York State Electric and Gas Corporation shall designate a full-time supervisor with stop-work and directive authority over all aspects of this project and shall comply with the specific requirements described in this order; this



supervisor shall, at a minimum: review construction procedures with on-site personnel and verify that protection measures described in this order and required by law are properly installed prior to the start of construction; check on construction progress at least once daily and be in radio or phone contact with on-site personnel at other times during construction; and take the necessary steps to ensure compliance with this Order and promptly report to Department of Public Service Staff any violations of the appropriate environmental protection and mitigation measures.

15. Within ten days after completion of construction and restoration of areas excavated to install distribution lines New York State Electric and Gas Corporation shall notify the Secretary in writing. All construction and restoration activities shall be in compliance with State and local laws and regulations.

16. Prior to construction of any new distribution or service lines along existing rights of way, New York State Electric and Gas Corporation shall obtain all necessary permits and file with the Secretary copies of the permits obtained.

17. New York State Electric and Gas Corporation shall notify potential customers located near construction of new distribution system services of: (a) the estimated starting and ending dates of the construction of the proposed system improvements; (b) the procedures customers may follow to obtain additional information and/or apply for service; and (c) contact information for the appropriate Company and Town representative(s) and Department of Public Service Staff to address potential customer inquiries.

18. New York State Electric and Gas Corporation shall establish accurate maps of the distribution mains and service lines in accordance with 16 NYCRR §255.603(c). Within three

months of completing construction of the Department of Public Service Staff Modified Build-out Plan, New York State Electric and Gas Corporation shall file a set of as-built drawings with the Secretary.

19. New York State Electric and Gas Corporation shall maintain records of all customer inquiries and requests for gas service, as defined in this order, in the Town of Plattsburgh service territory until further notice.

20. The Secretary in her sole discretion may extend the deadlines set forth in this order. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least one day prior to the affected deadline.

21. This proceeding is continued.

By the Commission,

KATHLEEN H. BURGESS  
Secretary

APPENDICES

APPENDIX A - Case 97-G-0706 Approved Franchise Expansion Map

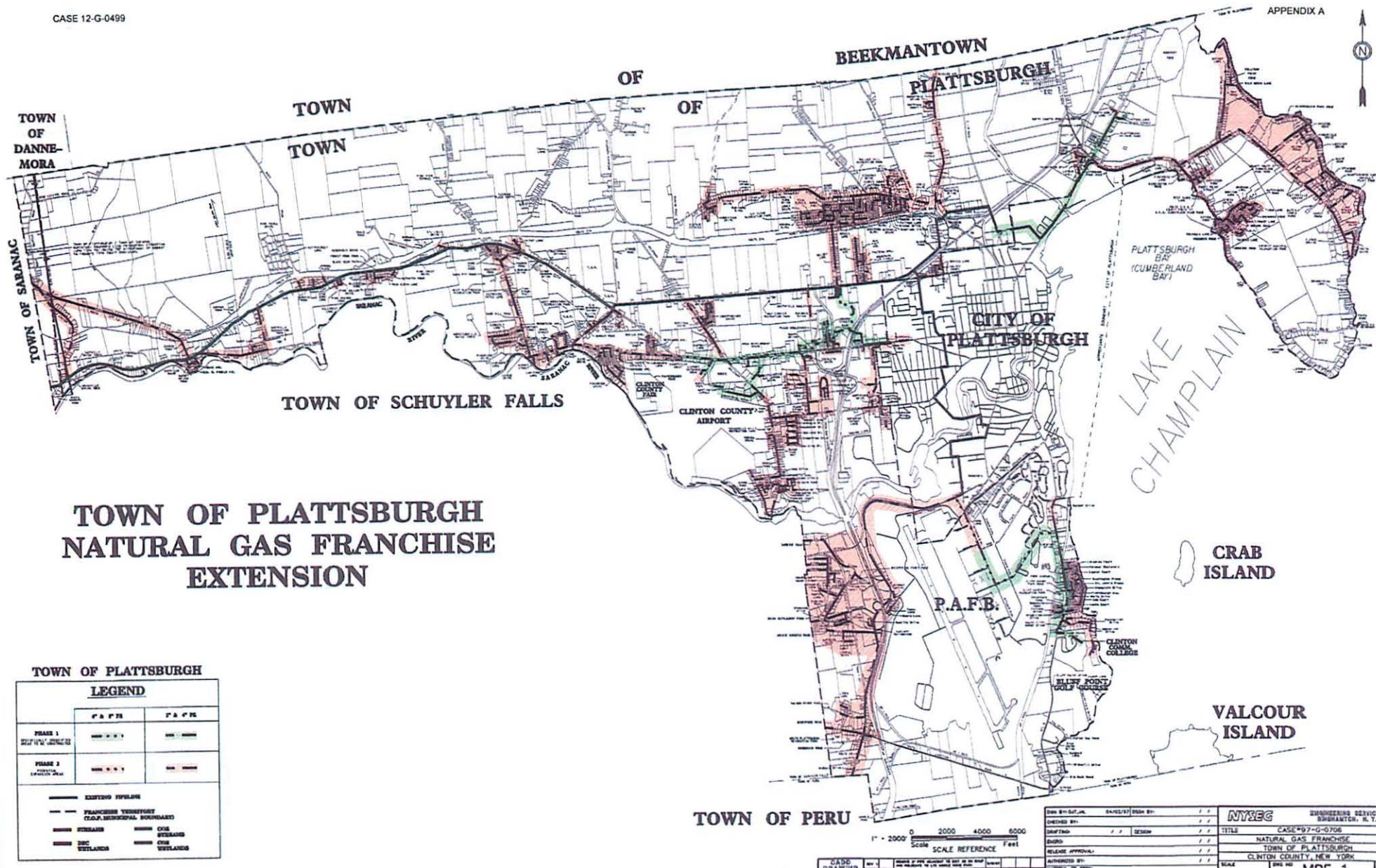
APPENDIX B - Franchise Expansion Area Map

APPENDIX C - Modified Build-out Plan

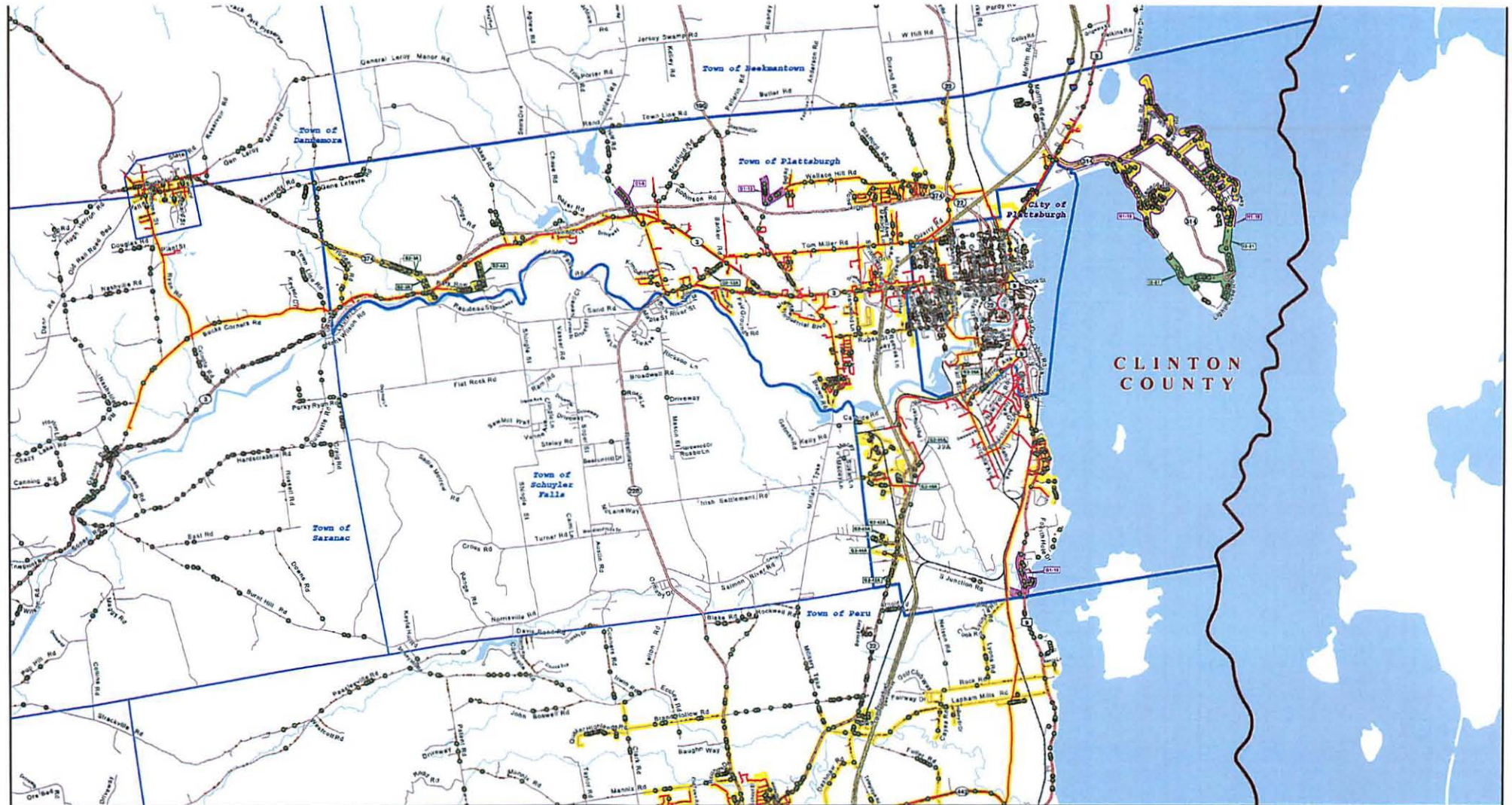
APPENDIX D - Staff Feasibility Model

APPENDIX E - Company Build-out Plan

APPENDIX F - Company Expansion Scenario Details







### Legend

- Existing NYSEG Distribution Main
- Commission Approved NYSEG Gas Franchise
- Proposed Projects from Survey (Sector 1)
- Proposed Projects from Survey (Sector 2)
- Interested Customers from Survey
- Potential Customers
- Town/City/Village Line
- County Line



Map Requests, Please Contact:  
 Angela Lyon, Manager (207) 626-9826  
 Greg Kennedy, Supervisor (607) 762-7808



0 14,000 28,000  
 Feet

### Town of Plattsburgh Gas System Expansion Interested and Prospective Customers

Map Data Source(s):

Date Created: 03/15/2013

Created by: G. Tecza

## MODIFIED BUILD-OUT PLAN

Modified Build-Out Year	Sector	Potential Customers	Main Length
Ramp Year:	99, 13A		
2014	Unapprove Existing Mains Area	210	0
	Banker Rd	28	2400
Year 1:	19		
2015	North Cumberland Head	735	69625
Year 2:	29A, 39A, 40A, 42A, 44A, 45A		
2016	Sharron Ave	5	850
	Runway Rd, Tammy & Debra Ln	26	1225
	Quality Dr	21	1000
	State Rt 22	29	2875
	Salmon River Rd	21	2200
	Kemp Ln	41	500
	Linda Ln	11	650
Year 3:	4A, 12		
2017	Park Row	50	6100
	Wallace Hill Rd	33	3500
Total		1210	90925

<b>COMPANY NAME</b>		Project Name	NYSEG
		Last Rate Case Allowed ROR	Town of Plattsburgh 12-G-0499
		Case Number	7.50%
			09-G-0716
<b>BOOK DEPRECIATION RATES</b>			
		Main	1.640%
		Services	2.640%
		Meter & Regulators	3.730%
		Other	2.400%
<b>TAXABLE PROPERTY RATE</b>			
		Gas Main	2.100%
		Gas Services (laterals)	100.00%
		Meters & Regulators	33.00%
			0.00%
<b>ANNUAL TAX DEPRECIATION RATES</b>			
			3.75%
			7.22%
			6.68%
			6.18%
			5.71%
		State Income Tax Rate	7.10%
		Federal Income Tax Rate	35.00%
<b>INTEREST RATE</b>			
		Debt	5.18%
		Equity	51.59%
		Equity Rate	48.00%
			10.00%
<b>THE RESULT OF THE ECONOMIC ANALYSIS AT YEAR 4:</b>			5.16% <b>FAIL</b>
<b>THE RESULT OF THE ECONOMIC ANALYSIS AT YEAR 10</b>			7.50% <b>PASS</b>

[illegible]



## NYSEG

Case 12-G-0499

**FUEL ANALYSIS**ESTIMATED USAGE PER CUSTOMER **106**  
1,000,000

FUEL	AVERAGE COMMODITY	AVERAGE DELIVERY	TOTAL ESTIMATED COST	Eff	Btu/Unit	mmBtu/unit	TOTAL ESTIMATED COST PER MMBTU	ESTIMATED ANNUAL BILL	ANNUAL ENERGY SAVINGS	ANNUAL ENERGY SAVINGS WITH CIAC
NATURAL GAS	\$ 5.40 per MCF	\$ 5.37 per MCF	\$ 10.77 per MCF	0.90	1,025,000 per Mcf	1.025	\$ 11.68 per MMBTU	\$ 1,238		
ELECTRICITY	\$ 0.09 per kWh	\$ 0.03 per kWh	\$ 0.12 per kWh	0.99	3,412 per kWh	0.003	\$ 36.21 per MMBTU	\$ 3,838	\$ 2,600	\$ 2,301
FUEL OIL			\$ 3.86 per GAL	0.85	139,000 per gal	0.139	\$ 32.67 per MMBTU	\$ 3,463	\$ 2,225	\$ 1,926
PROPANE			\$ 2.96 per GAL	0.90	91,330 per gal	0.091	\$ 36.01 per MMBTU	\$ 3,817	\$ 2,579	\$ 2,280
WOOD			\$ 0.05 per #	0.50	8,000 per #	0.008	\$ 12.50 per MMBTU	\$ 1,325	\$ 87	\$ (212)

NYSEG

Res Propane \$ 2,579  
Res Oil \$ 2,225

FUEL	ESTIMATED CONVERSION COSTS				BREAKEVEN - YEARS			
ELECTRICITY	\$ 12,000	to	\$ 15,000		5.21	to	6.52	
FUEL OIL	\$ 4,000	to	\$ 7,000		1.80	to	3.63	
PROPANE	\$ 300	to	\$ 500		0.12	to	0.22	
WOOD	\$ 4,000	to	\$ 15,000		45.66	to	(70.85)	

Price Discussion with "Home Heating" of Platts NY

**NYSEG****Case 09-G-0252**

Total Existing Structures in Franchise	3851	
Total Surveys Sent	3851	
Total Residences Responded	1081	
Total Respondants in Franchise	1081	
Residences that said Very Interested or Interested In Converting	918.85	85%
Residences that said Undecided	46.483	4%
Residences that said No	<u>114.586</u>	11%
	1079.919	

Used Survey Results from document provided on 7/9/2013 by Lori Cole NYSEG

Current Heating Fuel	Fuel Oil	46%
	Electricity	19%
	Propane	17%
	Wood	12%
	Other	7%

**NYSEG**

Case 12-G-0499

**STAFF FORECAST**

		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total	Potential	
		Ramp Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10			
Annual On Main Forecast	Potential Customers On Main	Res	175	615	129	80	0	0	0	0	0	0	999		
		Non	28	107	12	2	0						149		
		Comm	35	13	13	1	0						62	Percent Converted	
													723	72%	
Annual On Main Forecast	Res Heating	1.14	100	119.00	100	88	87	58	51	45	40	35	3	65	44%
	Non-Heating	0.60	2	8	8	8	7	7	7	6	6	5	1	61	98%
	Commercial	2.50	9	25.00	12	7	7	1	0	0	0	0	0	849	Total
Annual Cumm Total:			111	263	383	486	587	653	711	762	808	848	852		

Customer Attachment Forecast

		January	February	March	April	May	June	July	August	September	October	November	December	Total	Cumm
<b>Residential Customers Heat</b>															
Annual %		0	0	0	17%	17%	17%	17%	17%	17%	0	0	0	100%	
Ramp	2014	0	0	0	17	17	16	17	17	16	0	0	0	100	100
Year 1	2015	0	0	0	19.00	20.00	20	20	20	20	0	0	0	119	219
	2016	0	0	0	16	16	17	17	17	17	0	0	0	100	319
	2017	0	0	0	13	14	16	15	15	15	0	0	0	88	407
	2018	0	0	0	13	15	16	15	15	13	0	0	0	87	494
	2019	0	0	0	9	10	9	10	10	10	0	0	0	58	552
	2020	0	0	0	7	8	9	9	9	9	0	0	0	51	603
	2021	0	0	0	6	6	9	8	8	8	0	0	0	45	648
	2022	0	0	0	5	5	9	7	7	7	0	0	0	40	688
	2023	0	0	0	6	5	6	6	6	6	0	0	0	35	723
	2024	0	0	0	0	0	0	1	1	1	0	0	0	3	726

Residential Customers Non Heat

Annual %					17%	17%	17%	17%	17%	17%	0	0	0	1	
Ramp	2014	0	0	0	0	0	0	1	1	0	0	0	0	2	2
Year 1	2015	0	0	0	2	2	1	1	1	1	0	0	0	8	10
	2016	0	0	0	3	1	1	1	1	1	0	0	0	8	18
	2017	0	0	0	5	1	1	0	0	1	0	0	0	8	26
	2018	0	0	0	0	2	2	1	1	1	0	0	0	7	33
	2019	0	0	0	2	3	1	1	0	0	0	0	0	7	40
	2020	0	0	0	2	1	1	1	1	1	0	0	0	7	47
	2021	0	0	0	1	1	1	1	1	1	0	0	0	6	53
	2022	0	0	0	1	1	1	1	1	1	0	0	0	6	59
	2023	0	0	0	0	1	1	1	1	1	0	0	0	5	64
	2024	0	0	0	1	0	0	0	0	0	0	0	0	1	65

Commercial Customers (General)

Annual %		0	0	0	17%	17%	17%	17%	17%	17%	0	0	0		
Ramp	2014	0	0	0	2	2	2	1	1	1	0	0	0	9	9
Year 1	2015	0	0	0	6	6	4	4	3	2	0	0	0	25	34
	2016	0	0	0	2	2	2	2	2	2	0	0	0	12	46
	2017	0	0	0	3	0	1	1	1	1	0	0	0	7	53
	2018	0	0	0	2	1	1	1	1	1	0	0	0	7	60
	2019	0	0	0	1	0	0	0	0	0	0	0	0	1	61
	2020	0	0	0	0	0	0	0	0	0	0	0	0	0	61
	2021	0	0	0	0	0	0	0	0	0	0	0	0	0	61
	2022	0	0	0	0	0	0	0	0	0	0	0	0	0	61
	2023	0	0	0	0	0	0	0	0	0	0	0	0	0	61
	2024	0	0	0	0	0	0	0	0	0	0	0	0	0	61

Other Special Customers (General)

Annual %											0	0	1	1	1
Ramp	2014	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Year 1	2015	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	2016	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	2017	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	2018	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	2019	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	2020	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	2021	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	2022	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	2023	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	2024	0	0	0	0	0	0	0	0	0	0	0	0	0	1

Customers Attached in non-approved Areas  
Residential 252  
Non-Heat 3  
Commercial 63

Per Response to DPS IR 18

Ramp	Annual %		
1	2014	111	111
2	2015	152	263
3	2016	120	383
4	2017	103	486
5	2018	101	587
6	2019	66	653
7	2020	58	711
8	2021	51	762
9	2022	46	808
10	2023	40	848
	2024	4	852

**Forecast Customer Attachments  
Town of Plattsburgh 12-G-0499  
For the Years Ending December 31**

[illegible]

## NYSEG

Forecast Customer Attachments  
Town of Pittsburgh 12-G-0499  
For the Years Ending December 31

	16.5%	17.1%	14.9%	11.2%	8.9%	3.6%	2.0%	1.8%	2.1%	3.9%	7.6%	12.4%	100%		
SC 1 Residential Customers Heat	1,060	January	February	March	April	May	June	July	August	September	October	November	December	SUM	
th Usage	175	182	156	118	73	38	22	19	22	41	80	132	1,060		
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	3	38	
3 to 47	47	47	47	47	47	47	35	19	16	19	38	47	47	458	
over 50	125	132	108	68	23	-	-	-	-	-	-	30	82	588	
Annual %															
Minimum Charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3 to 47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
over 50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2014															
Minimum Charge	-	-	-	51	102	150	201	252	300	300	300	300	300	1,856	
3 to 47	-	-	-	788	1,598	1,753	1,241	1,306	1,847	3,602	4,700	4,700	4,700	21,846	
over 50	-	-	-	1,159	790	-	-	-	-	-	3,014	8,186	13,150	36,952	2014
2015															
Minimum Charge	300	300	300	357	417	477	537	597	657	657	657	657	657	5,913	
3 to 47	4,700	4,700	4,700	5,593	6,533	5,574	3,315	3,094	4,264	8,327	10,293	10,293	10,293	71,388	
over 50	12,480	13,168	10,826	8,115	3,231	-	-	-	-	-	8,600	17,928	72,358	149,657	2015
2016															
Minimum Charge	657	657	657	705	753	804	855	906	957	957	957	957	957	9,822	
3 to 47	10,293	10,293	10,293	11,045	11,797	8,394	5,278	4,696	6,212	12,129	14,993	14,993	14,993	121,416	
over 50	27,353	28,839	23,709	18,025	5,835	-	-	-	-	-	9,613	26,115	137,488	269,726	2016
2017															
Minimum Charge	657	657	657	888	1,038	1,088	1,131	1,176	1,221	1,221	1,221	1,221	1,221	13,182	
3 to 47	14,993	14,993	14,993	15,804	16,262	12,680	8,891	6,096	7,825	15,475	18,129	18,129	18,129	184,288	
over 50	39,843	42,007	34,534	22,839	8,043	-	-	-	-	-	12,265	33,319	182,651	370,102	2017
2018															
Minimum Charge	1,221	1,221	1,221	1,260	1,305	1,353	1,398	1,443	1,482	1,482	1,482	1,482	1,482	18,350	
3 to 47	18,129	18,129	18,129	18,740	20,445	15,808	8,528	7,480	9,618	18,763	23,218	23,218	23,218	204,328	
over 50	50,834	53,595	44,061	28,640	10,112	-	-	-	-	-	14,887	40,441	242,571	463,249	2018
2019															
Minimum Charge	1,482	1,482	1,482	1,509	1,539	1,566	1,596	1,626	1,656	1,656	1,656	1,656	1,656	18,906	
3 to 47	23,218	23,218	23,218	23,641	24,111	18,298	9,852	8,428	10,749	20,988	25,944	25,944	25,944	237,609	
over 50	61,701	65,052	53,478	34,300	11,925	-	-	-	-	-	18,635	45,189	289,281	544,785	2019
2020															
Minimum Charge	1,656	1,656	1,656	1,677	1,701	1,728	1,755	1,782	1,808	1,808	1,808	1,808	1,808	20,847	
3 to 47	25,944	25,944	25,944	26,273	26,649	20,191	10,833	9,237	11,742	22,827	28,341	28,341	28,341	262,366	
over 50	68,945	72,680	59,758	38,118	13,180	-	-	-	-	-	18,172	49,384	320,227	603,440	2020
2021															
Minimum Charge	1,809	1,809	1,809	1,827	1,845	1,872	1,896	1,920	1,944	1,944	1,944	1,944	1,944	22,583	
3 to 47	28,341	28,341	28,341	28,823	28,905	21,874	11,703	9,952	12,616	24,636	30,456	30,456	30,456	284,248	
over 50	75,515	79,405	65,260	41,528	14,296	-	-	-	-	-	19,528	53,048	348,400	855,211	2021
2022															
Minimum Charge	1,944	1,944	1,944	1,959	1,974	2,001	2,022	2,043	2,064	2,064	2,064	2,064	2,064	24,087	
3 to 47	30,456	30,456	30,456	30,881	30,926	23,381	12,481	10,590	13,397	28,158	32,336	32,336	32,336	303,865	
over 50	80,835	85,331	70,151	44,528	15,296	-	-	-	-	-	20,734	56,322	373,288	701,049	2022
2023															
Minimum Charge	2,064	2,064	2,064	2,082	2,097	2,115	2,133	2,151	2,169	2,169	2,169	2,169	2,169	25,446	
3 to 47	32,336	32,336	32,336	32,618	32,653	24,713	13,186	11,149	14,078	27,480	33,981	33,981	33,981	321,038	
over 50	85,931	90,593	74,482	47,324	16,249	-	-	-	-	-	21,788	59,188	395,580	742,044	2023
2024															
Minimum Charge	2,169	2,169	2,169	2,189	2,189	2,189	2,172	2,175	2,178	2,178	2,178	2,178	2,178	26,073	
3 to 47	33,981	33,981	33,981	33,981	33,981	25,344	13,407	11,274	14,137	27,604	34,122	34,122	34,122	329,914	
over 50	90,303	95,208	78,271	49,301	16,807	-	-	-	-	-	21,879	59,433	411,201	787,188	2024

	20%	18%	18%	5%	2%	2%	2%	2%	2%	2%	9%	18%	100%		
SC 1 Residential Customers Non-Heat	260	January	February	March	April	May	June	July	August	September	October	November	December	SUM	
th Usage	56	50	50	14	6	6	6	6	6	6	25	50	260		
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	3	36	
3 to 47	47	47	47	11	3	3	3	3	3	3	3	22	47	237	
over 50	6	0	0	-	-	-	-	-	-	-	-	0	0	7	
Annual %															
Minimum Charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3 to 47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
over 50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2014															
Minimum Charge	-	-	-	-	-	-	3	6	6	6	6	6	6	33	
3 to 47	-	-	-	-	-	-	3	5	5	5	5	44	94	157	
over 50	-	-	-	-	-	-	-	-	-	-	-	-	1	1	190
2015															
Minimum Charge	6	6	6	12	18	21	24	27	30	30	30	30	30	240	
3 to 47	94	94	94	44	16	18	21	23	26	26	26	222	470	1,148	
over 50	12	1	1	-	-	-	-	-	-	-	-	-	4	18	1,406
2016															
Minimum Charge	30	30	30	39	42	45	48	51	54	54	54	54	54	531	
3 to 47	470	470	470	143	36	39	42	44	47	47	47	400	848	3,053	
over 50	80	4	4	-	-	-	-	-	-	-	-	-	7	75	3,860
2017															
Minimum Charge	54	54	54	69	72	75	75	75	78	78	78	78	78	840	
3 to 47	846	846	846	253	62	65	65	65	68	68	68	577	1,222	4,983	
over 50	108	7	7	-	-	-	-	-	-	-	-	-	10	133	5,956
2018															
Minimum Charge	78	78	78	78	84	80	83	86	88	88	88	88	88	1,071	
3 to 47	1,222	1,222	1,222	288	73	78	81	83	86	86	86	733	1,551	6,722	
over 50	158	10	10	-	-	-	-	-	-	-	-	-	13	190	7,983



<b>2019</b>													
Minimum Charge	89	99	99	105	114	117	120	120	120	120	120	120	1,353
3 to 47	1,551	1,551	1,551	365	99	101	104	104	104	104	888	1,880	8,422
over 50	198	13	13	-	-	-	-	-	-	-	-	16	240
<b>2020</b>													
Minimum Charge	120	120	120	126	129	132	135	138	141	141	141	141	1,584
3 to 47	1,880	1,880	1,880	482	112	114	117	120	122	122	1,043	2,209	10,082
over 50	240	16	16	-	-	-	-	-	-	-	-	18	291
<b>2021</b>													
Minimum Charge	141	141	141	144	147	150	153	156	159	159	159	159	1,809
3 to 47	2,209	2,209	2,209	526	127	130	133	135	138	138	1,177	2,491	11,823
over 50	282	19	19	-	-	-	-	-	-	-	-	21	341
<b>2022</b>													
Minimum Charge	159	159	159	162	165	168	171	174	177	177	177	177	2,025
3 to 47	2,491	2,491	2,491	594	143	148	148	151	153	153	1,310	2,773	13,044
over 50	318	21	21	-	-	-	-	-	-	-	-	24	384
<b>2023</b>													
Minimum Charge	177	177	177	177	180	183	186	189	192	192	192	192	2,214
3 to 47	2,773	2,773	2,773	648	156	159	161	164	166	166	1,421	3,008	14,388
over 50	354	24	24	-	-	-	-	-	-	-	-	26	427
<b>2024</b>													
Minimum Charge	192	192	192	195	195	195	195	195	195	195	195	195	2,331
3 to 47	3,008	3,008	3,008	715	169	169	169	169	169	169	1,443	3,055	15,251
over 50	384	26	26	-	-	-	-	-	-	-	-	26	481

<b>SC 2 Commercial Customers</b>													
2,600	17%	17%	15%	11%	7%	4%	2%	2%	2%	4%	8%	12%	100%
	January	February	March	April	May	June	July	August	September	October	November	December	SUM
th Usage	429	446	388	280	180	93	53	46	55	101	197	323	2,600
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36
4 to 500	426	443	385	287	177	80	50	43	52	98	194	320	2,564
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Annual %</b>													
Minimum Charge	-	-	-	-	-	-	-	-	-	-	-	-	-
3 to 47	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2014</b>													
Minimum Charge	-	-	-	6	12	18	21	24	27	27	27	27	189
4 to 500	-	-	-	574	707	542	348	340	469	879	1,742	2,884	8,495
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2015</b>													
Minimum Charge	27	27	27	45	63	75	87	96	102	102	102	102	855
4 to 500	3,834	3,984	3,467	4,304	3,710	2,259	1,444	1,360	1,772	3,319	6,581	10,895	46,927
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2016</b>													
Minimum Charge	102	102	102	108	114	120	128	132	138	138	138	138	1,458
4 to 500	14,484	15,050	13,088	10,328	6,713	3,814	2,091	1,870	2,398	4,481	8,804	14,740	87,778
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2017</b>													
Minimum Charge	138	138	138	147	147	150	153	156	159	159	159	159	1,803
4 to 500	19,596	20,361	17,718	14,058	8,856	4,517	2,539	2,210	2,762	5,174	10,259	16,893	124,934
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2018</b>													
Minimum Charge	159	159	159	165	168	171	174	177	180	180	180	180	2,052
4 to 500	22,578	23,460	20,415	15,780	9,893	5,149	2,887	2,508	3,127	5,857	11,814	19,226	142,493
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2019</b>													
Minimum Charge	180	180	180	183	183	183	183	183	183	183	183	183	2,187
4 to 500	25,560	26,558	23,111	17,501	10,776	5,511	3,037	2,593	3,179	5,855	11,807	19,547	155,134
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2020</b>													
Minimum Charge	183	183	183	183	183	183	183	183	183	183	183	183	2,198
4 to 500	25,886	27,001	23,486	17,501	10,776	5,511	3,037	2,593	3,179	5,855	11,807	19,547	156,388
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2021</b>													
Minimum Charge	183	183	183	183	183	183	183	183	183	183	183	183	2,196
4 to 500	25,886	27,001	23,486	17,501	10,776	5,511	3,037	2,593	3,179	5,855	11,807	19,547	156,388
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2022</b>													
Minimum Charge	183	183	183	183	183	183	183	183	183	183	183	183	2,196
4 to 500	25,886	27,001	23,486	17,501	10,776	5,511	3,037	2,593	3,179	5,855	11,807	19,547	156,388
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2023</b>													
Minimum Charge	183	183	183	183	183	183	183	183	183	183	183	183	2,198
4 to 500	25,886	27,001	23,486	17,501	10,776	5,511	3,037	2,593	3,179	5,855	11,807	19,547	156,388
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2024</b>													
Minimum Charge	183	183	183	183	183	183	183	183	183	183	183	183	2,196
4 to 500	25,886	27,001	23,486	17,501	10,776	5,511	3,037	2,593	3,179	5,855	11,807	19,547	156,388
501 to 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-

<b>SC 2 Special Customers - NovaBus</b>													
65,000	17%	17%	15%	11%	7%	4%	2%	2%	2%	4%	8%	12%	100%
	January	February	March	April	May	June	July	August	September	October	November	December	SUM

th Usage	10,725	11,141	9,705	7,248	4,492	2,334	1,320	1,138	1,378	2,516	4,914	8,088	64,994		
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-		
Annual %															
Minimum Charge	-	-	-	-	-	-	-	-	-	-	-	-	-		
3 to 47	-	-	-	-	-	-	-	-	-	-	-	-	-		
2014															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2014
2015															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2015
2016															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2016
2017															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2017
2018															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2018
2019															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2019
2020															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2020
2021															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2021
2022															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2022
2023															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2023
2024															
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	36		
4 to 500	497	497	497	497	497	497	497	497	497	497	497	497	5,984		
501 to 15000	10,225	10,641	9,205	6,748	3,992	1,834	820	638	876	2,016	4,414	7,586	58,994		
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,994	2024

	17%	17%	15%	11%	7%	4%	2%	2%	2%	4%	8%	12%	100%
SC 2 Special Customers - Cumberland Head Elementary School													
34,770	January	February	March	April	May	June	July	August	September	October	November	December	SUM
th Usage	5,737	5,960	5,181	3,877	2,403	1,248	708	808	737	1,348	2,828	4,325	34,787
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	38
4 to 500	487	497	487	487	497	487	487	487	487	487	497	497	5,884
501 to 15000	5,237	5,460	4,691	3,377	1,903	748	208	108	237	848	2,129	3,825	28,787
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual %													
Minimum Charge	-	-	-	-	-	-	-	-	-	-	-	-	-
3 to 47	-	-	-	-	-	-	-	-	-	-	-	-	-
over 50	-	-	-	-	-	-	-	-	-	-	-	-	-
4 to 500													
Minimum Charge	-	-	-	8	12	18	21	24	27	27	27	27	189
3 to 47	-	-	-	894	1,988	2,882	3,478	3,976	4,473	4,473	4,473	4,473	31,311
over 50	-	-	-	8,754	7,610	4,488	1,441	868	2,134	7,610	18,158	34,428	84,483
2014													115,893
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	38
4 to 500	487	497	487	487	497	487	487	487	487	487	497	497	5,884
501 to 15000	5,237	5,460	4,691	3,377	1,903	748	208	108	237	848	2,129	3,825	28,787
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
2015													34,767
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	38
4 to 500	487	497	487	487	497	487	487	487	487	487	497	497	5,884
501 to 15000	5,237	5,460	4,691	3,377	1,903	748	208	108	237	848	2,129	3,825	28,787
over 15000	-	-	-	-	-	-	-	-	-	-	-	-	-
2016													34,767
Minimum Charge	3	3	3	3	3	3	3	3	3	3	3	3	38
4 to 500	487	497	487	487	497	487	487	487	487	487	497	497	5,884



501 to 15000 over 15000	5,237	5,460	4,691	3,377	1,903	748	208	108	237	846	2,129	3,825	28,767		
2017														34,767	2016
Minimum Charge 4 to 500	3	3	3	3	3	3	3	3	3	3	3	3	36		
501 to 15000 over 15000	497	497	497	497	497	497	497	497	497	497	497	497	5,864		
2018	5,237	5,460	4,691	3,377	1,903	748	208	108	237	846	2,129	3,825	28,767	34,767	2017
Minimum Charge 4 to 500	3	3	3	3	3	3	3	3	3	3	3	3	36		
501 to 15000 over 15000	497	497	497	497	497	497	497	497	497	497	497	497	5,864		
2019	5,237	5,460	4,691	3,377	1,903	748	208	108	237	846	2,129	3,825	28,767	34,767	2018
Minimum Charge 4 to 500	3	3	3	3	3	3	3	3	3	3	3	3	36		
501 to 15000 over 15000	497	497	497	497	497	497	497	497	497	497	497	497	5,864		
2020	5,237	5,460	4,691	3,377	1,903	748	208	108	237	846	2,129	3,825	28,767	34,767	2019
Minimum Charge 4 to 500	3	3	3	3	3	3	3	3	3	3	3	3	36		
501 to 15000 over 15000	497	497	497	497	497	497	497	497	497	497	497	497	5,864		
2021	5,237	5,460	4,691	3,377	1,903	748	208	108	237	846	2,129	3,825	28,767	34,767	2020
Minimum Charge 4 to 500	3	3	3	3	3	3	3	3	3	3	3	3	36		
501 to 15000 over 15000	497	497	497	497	497	497	497	497	497	497	497	497	5,864		
2022	5,237	5,460	4,691	3,377	1,903	748	208	108	237	846	2,129	3,825	28,767	34,767	2021
Minimum Charge 4 to 500	3	3	3	3	3	3	3	3	3	3	3	3	36		
501 to 15000 over 15000	497	497	497	497	497	497	497	497	497	497	497	497	5,864		
2023	5,237	5,460	4,691	3,377	1,903	748	208	108	237	846	2,129	3,825	28,767	34,767	2022
Minimum Charge 4 to 500	3	3	3	3	3	3	3	3	3	3	3	3	36		
501 to 15000 over 15000	497	497	497	497	497	497	497	497	497	497	497	497	5,864		
2024	5,237	5,460	4,691	3,377	1,903	748	208	108	237	846	2,129	3,825	28,767	34,767	2023
Minimum Charge 4 to 500	3	3	3	3	3	3	3	3	3	3	3	3	36		
501 to 15000 over 15000	497	497	497	497	497	497	497	497	497	497	497	497	5,864		
2024	5,237	5,460	4,691	3,377	1,903	748	208	108	237	846	2,129	3,825	28,767	34,767	2024
Place Holder - xxxxxxxx	15%	13%	12%	8%	6%	3%	4%	4%	4%	7%	10%	13%			
January	February	March	April	May	June	July	August	September	October	November	December	SUM			
th Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2009	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2010	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2014	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2018	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2019	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2020	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2019	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2020	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2021	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
Place Holder- xxxxxxxx	15%	13%	12%	8%	6%	3%	4%	4%	4%	7%	10%	13%			
January	February	March	April	May	June	July	August	September	October	November	December	SUM			
th Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2009	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2010	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2014	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2018	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2019	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2020	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2019	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2020	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		
2021	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage	-	-	-	-	-	-	-	-	-	-	-	-	-		

Ramp Year	2014	145,576
Year 1	2015	298,605

2016	471,381
2017	602,455
2018	715,537
2019	811,892
2020	873,721
2021	927,328
2022	974,848
2023	1,017,368
2024	1,058,809

Calendar Year		2014		2015		2016		2017		2018		2019		2020		2021		2022		2023		2024				
		Sales OCF	Revenue \$	Sales OCF	Revenue \$	Sales OCF	Revenue \$	Sales OCF	Revenue \$	Sales OCF	Revenue \$	Sales OCF	Revenue \$	Sales OCF	Revenue \$	Sales OCF	Revenue \$	Sales OCF	Revenue \$	Sales OCF	Revenue \$	Sales OCF	Revenue \$			
SC I Residential- Heating																										
Boilers	\$	16,300	/h																							
First 3 th				652	\$	10,628		1,971	\$	32,127		3,274	\$	53,366		4,394	\$	71,622		5,400	\$	88,835		6,302	\$	102,723
4 to 47 th				1,996				5,913				18,494				20,547				22,563				24,087		
Over 50 th	\$	0.51930	/th	21,846	\$	111,345		71,336	\$	370,701		121,416	\$	630,501		164,269	\$	85,305		204,328	\$	106,108		237,609	\$	123,390
				13,150		1,604		22,332		8,828		137,678		16,297		192,891		23,533		242,861		29,629		208,622		35,212
	\$	0.12200	/th	36,952	\$	23,576		149,458	\$	78,036		268,916	\$	133,214		370,343	\$	180,460		463,540	\$	224,572		545,136	\$	261,325
				\$				\$				\$			\$				\$				\$			
				\$				\$				\$			\$				\$				\$			
				\$				\$				\$			\$				\$				\$			
				\$				\$				\$			\$				\$				\$			
				\$				\$				\$			\$				\$				\$			
				\$				\$				\$			\$				\$				\$			
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				\$				\$				\$			\$				\$				\$			
				\$				\$				\$			\$				\$				\$			
				\$				\$				\$			\$											

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Adjusted for Existing	CIAC	\$ 39	\$ 17,402	\$ 65,841	\$ 98,311	\$ 128,740	\$ 151,188	\$ 168,083	\$ 178,492	\$ 181,183	\$ 201,772	\$ 208,399
	TOTAL DELIVERY	\$ 41,924	\$ 119,912	\$ 220,905	\$ 264,534	\$ 318,427	\$ 362,557	\$ 392,115	\$ 417,979	\$ 441,008	\$ 461,598	\$ 472,465
	TOTAL MFC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL OSC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL DEL. MFC, & OSC	\$ 41,924	\$ 119,912	\$ 220,905	\$ 264,534	\$ 318,427	\$ 362,557	\$ 392,115	\$ 417,979	\$ 441,008	\$ 461,598	\$ 472,465

2020	2021	2022	2023	2024
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Inclusion Switch	Street/Section/ Build Out Year	Potential Customers	Material City
Year 3	0 2A Res Non-Heat Comm Special	0 0 0 0	1700
Year 3	0 3A Res Non-Heat Comm Special	0 0 0 0	3300
Year 3	1 4A Res Non-Heat Comm Special	122.0 47 2 1 0	6100
Year 3	0 8 Res Non-Heat Comm Special	0 0 0 0	2200
Year 3	1 12 Res Non-Heat Comm Special	106.1 33 0 0 0	3500
Year 3	Total Density Rank	115.7	
Ramp Year	1 13A Res Non-Heat Comm Special	85.7 23 5 0 0	2400
Year 2	0 18 + Gunboat Ln Res Non-Heat Comm Special	0 0 0 0	6545
Year 2	1 29A Res Non-Heat Comm Special	170.0 0 0 5 0	850
Year 2	1 40A Res Non-Heat Comm Special	47.6 19 2 0 0	1000
Year 2	1 39A Res Non-Heat Comm Special	47.1 26 0 0 0	1225
Year 2	1 42A Res Non-Heat Comm Special	99.1 23 3 3 0	2875
Year 2	1 44A + Kemp Ln Res Non-Heat Comm Special	43.5 51 7 4 0	2700
Year 2	1 45A Res Non-Heat Comm Special	59.1 10 0 1 0	650
Year 2	Total Density Rank	60.4	
Year 1	1 19 Res Non-Heat Comm Special	94.6 615 107 13 school under special 1	69625
Year 2	0 21 Res Non-Heat Comm Special	0 0 0 0	12625
Ramp Year	1 Customers UnApp Area Res Non-Heat Comm Special	152 23 35 0	0
	Total Res Total Non-Heat Total Comm Total Special Grand Total	999 149 62 1 1211	



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**Plant and Depreciation Schedule  
Town of Plattsburgh 12-G-0499  
For the Years Ending December 31**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Ramp Year	Year 1									
<b>Gross Plant Additions</b>											
CIAC (Main)	\$ 39	\$ 17,402	\$ 65,841	\$ 98,311	\$ 126,740	\$ 151,186	\$ 168,083	\$ 179,492	\$ 191,183	\$ 201,772	\$ 208,399
Main	\$ 1,920,957	\$ 2,948,800	\$ 325,500	\$ 338,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services	\$ 1,208,886	\$ 342,000	\$ 270,000	\$ 231,750	\$ 227,250	\$ 148,500	\$ 130,500	\$ 114,750	\$ 103,500	\$ 80,000	\$ 9,000
Meter & Regulators	\$ 229,471	\$ 75,100	\$ 52,440	\$ 42,470	\$ 41,750	\$ 24,530	\$ 20,880	\$ 18,360	\$ 16,560	\$ 14,400	\$ 1,440
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total (excluding CIAC)	\$ 3,357,314	\$ 3,365,900	\$ 647,940	\$ 610,220	\$ 269,000	\$ 173,030	\$ 151,380	\$ 133,110	\$ 120,060	\$ 104,400	\$ 10,440
<b>Book Depreciation Expense</b>											
Main (including CIAC) 1.6%	\$ 31,503	\$ 79,578	\$ 83,838	\$ 87,734	\$ 85,856	\$ 83,176	\$ 80,453	\$ 77,509	\$ 74,374	\$ 71,065	\$ 67,847
Services 2.6%	\$ 31,862	\$ 40,891	\$ 48,019	\$ 54,137	\$ 60,136	\$ 64,057	\$ 67,502	\$ 70,531	\$ 73,264	\$ 75,640	\$ 75,877
Meter & Regulators 3.7%	\$ 8,559	\$ 11,361	\$ 13,317	\$ 14,901	\$ 16,458	\$ 17,373	\$ 18,152	\$ 18,837	\$ 19,454	\$ 19,991	\$ 20,045
Other 2.4%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total 2.7%	\$ 71,924	\$ 131,829	\$ 145,171	\$ 156,772	\$ 162,250	\$ 164,606	\$ 166,106	\$ 166,877	\$ 167,091	\$ 168,696	\$ 163,569
<b>Gross Plant</b>											
Main	\$ 1,920,957	\$ 4,889,757	\$ 5,195,257	\$ 5,531,257	\$ 5,531,257	\$ 5,531,257	\$ 5,531,257	\$ 5,531,257	\$ 5,531,257	\$ 5,531,257	\$ 5,531,257
Services	\$ 1,208,886	\$ 1,548,886	\$ 1,818,886	\$ 2,050,638	\$ 2,277,886	\$ 2,426,386	\$ 2,556,886	\$ 2,671,636	\$ 2,775,136	\$ 2,865,136	\$ 2,874,136
Meter & Regulators	\$ 229,471	\$ 304,571	\$ 357,011	\$ 399,481	\$ 441,231	\$ 465,761	\$ 488,641	\$ 505,001	\$ 521,561	\$ 535,961	\$ 537,401
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aid in Construction	\$ (39)	\$ (17,441)	\$ (83,282)	\$ (181,593)	\$ (308,334)	\$ (459,520)	\$ (625,603)	\$ (805,094)	\$ (996,277)	\$ (1,198,049)	\$ (1,406,448)
Total	\$ 3,357,275	\$ 6,705,773	\$ 7,287,872	\$ 7,799,781	\$ 7,942,040	\$ 7,963,884	\$ 7,949,181	\$ 7,902,800	\$ 7,831,677	\$ 7,734,305	\$ 7,536,346
<b>Accumulated Reserve</b>	\$ 671,503	\$ 803,332	\$ 948,504	\$ 1,105,276	\$ 1,267,526	\$ 1,432,132	\$ 1,598,238	\$ 1,765,115	\$ 1,932,206	\$ 2,098,902	\$ 2,262,471
<b>Net Plant</b>	\$ 2,685,771	\$ 5,902,441	\$ 6,339,368	\$ 6,694,505	\$ 6,674,515	\$ 6,531,753	\$ 6,350,943	\$ 6,137,685	\$ 5,899,471	\$ 5,635,403	\$ 5,273,875
<b>Deferred Taxes - Pre-2014</b>	\$ (550,587)	\$ (538,822)	\$ (523,402)	\$ (510,317)	\$ (497,559)	\$ (485,120)	\$ (472,992)	\$ (461,167)	\$ (449,638)	\$ (438,397)	\$ (427,437)
<b>Deferred Taxes - 2014 and Beyond</b>											
Federal Deferred Income Tax (MACRS)	(3,560)	(30,912)	(80,650)	(148,542)	(215,459)	(277,398)	(333,876)	(384,227)	(429,549)	(473,063)	(515,177)
Federal Deferred Income Tax (BONUS)	-	-	-	-	-	-	-	-	-	-	-
State Deferred Tax	(722)	(6,271)	(16,361)	(30,133)	(43,707)	(56,272)	(67,888)	(77,943)	(87,137)	(95,984)	(104,507)
CIAC STATE	3	1,238	5,913	12,893	21,892	32,626	44,418	57,162	70,736	85,061	99,858
CIAC FEDERAL	14	6,104	29,149	63,558	107,917	160,832	218,961	281,783	348,697	419,317	492,257
Amortize CIAC Deferred Taxes	(0)	(61)	(415)	(1,344)	(3,063)	(5,757)	(9,564)	(14,583)	(20,903)	(28,601)	(37,739)
Deferred Tax Adjustment	(554,853)	(566,724)	(585,768)	(613,885)	(629,980)	(631,089)	(620,541)	(598,976)	(587,795)	(531,647)	(492,748)
<b>Rate Base</b>	\$ 2,130,918	\$ 5,335,717	\$ 5,753,602	\$ 6,080,820	\$ 6,044,535	\$ 5,900,663	\$ 5,730,402	\$ 5,538,709	\$ 5,331,676	\$ 5,103,756	\$ 4,781,130
<b>Gross Plant Associated with attached customers in unapproved areas</b>	\$ 2,938,493										
<b>Depreciation Reserve</b>	\$ (599,579)										
<b>Deferred Taxes</b>	\$ (550,587)										
<b>IR Response DPS 18</b>											
<b>Plant Allocation Main</b>											
<b>Services</b>											
<b>Meter</b>											
<b>Same as Full Build Out Model</b>											
<b>0.616002492</b>											
<b>0.322909018</b>											
<b>0.06108849</b>											

**NYSEG****Property Tax Schedule****Town of Plattsburgh 12-G-0499****For the Years Ending December 31**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
	Ramp Year	Year 1									
<b>Cumulative Gross Plant:</b>											
Gas Main	\$ 110,838	\$ 3,059,638	\$ 3,385,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138
Gas Services (laterals)	\$ 258,020	\$ 600,020	\$ 870,020	\$ 1,101,770	\$ 1,329,020	\$ 1,477,520	\$ 1,608,020	\$ 1,722,770	\$ 1,826,270	\$ 1,916,270	\$ 1,925,270
Meters & Regulators	\$ 49,963	\$ 125,063	\$ 177,503	\$ 219,973	\$ 261,723	\$ 286,253	\$ 307,133	\$ 325,493	\$ 342,053	\$ 356,453	\$ 357,893
Total:	\$ 418,821	\$ 3,784,721	\$ 4,432,661	\$ 5,042,881	\$ 5,311,881	\$ 5,484,911	\$ 5,636,291	\$ 5,769,401	\$ 5,889,461	\$ 5,993,861	\$ 6,004,301

**Taxable Property:**

Gas Main	100%	\$ 110,838	\$ 3,059,638	\$ 3,385,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138	\$ 3,721,138
Gas Services (laterals)	33%	\$ 85,147	\$ 198,007	\$ 287,107	\$ 363,584	\$ 438,577	\$ 487,582	\$ 530,647	\$ 568,514	\$ 602,669	\$ 632,369	\$ 635,339
Meters & Regulators	0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Taxable Property		\$ 195,985	\$ 3,257,645	\$ 3,672,245	\$ 4,084,722	\$ 4,159,715	\$ 4,208,720	\$ 4,251,785	\$ 4,289,652	\$ 4,323,807	\$ 4,353,507	\$ 4,356,477
Estimated Property Taxes	2.10%	\$ 65,824	\$ 130,119	\$ 138,825	\$ 147,487	\$ 149,062	\$ 150,091	\$ 150,995	\$ 151,791	\$ 152,508	\$ 153,132	\$ 153,194

**DEVELOPMENT  
OF PROPERTY TAX RATE**

Total Gross Plant	Total Property Taxes
\$ 941,448,000	\$ 19,960,000.00
	\$ -
	\$ -
	\$ -
2.12%	\$ 19,960,000.00

Taken from App K of JP 09-E-0715

Property Taxes of Customers in Unapproved areas  
\$ 61,708 314 customers DPS IR 18

CASE 12-G-0499

**NYSEG**

**Tax Depreciation and Income Tax Base Schedule**  
**Town of Plattsburgh 12-G-0499**  
**For the Years Ending December 31**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Using MACRs
<b>Tax Depreciation</b>												
Annual Tax Depreciation Rates	3.75%	7.22%	6.68%	6.18%	5.71%	5.29%	4.89%	4.52%	4.46%	4.46%	4.46%	
2014 Bonus Depreciation	0.00%											
Plant Additions	\$ 421,221	\$ 421,221	\$ 421,221	\$ 421,221	\$ 421,221	\$ 421,221	\$ 421,221	\$ 421,221	\$ 421,221	\$ 421,221	\$ 421,221	
Bonus Depreciation	-	-	-	-	-	-	-	-	-	-	-	
Tax Depreciation Rate	3.75%	7.22%	6.68%	6.18%	5.71%	5.29%	4.89%	4.52%	4.46%	4.46%	4.46%	
Tax Depreciation	15,796	30,412	28,138	26,031	24,052	22,262	20,589	19,048	18,795	18,791	18,795	
Plant Additions Year 2	\$ 3,365,900	\$ 3,365,900	\$ 3,365,900	\$ 3,365,900	\$ 3,365,900	\$ 3,365,900	\$ 3,365,900	\$ 3,365,900	\$ 3,365,900	\$ 3,365,900	\$ 3,365,900	
Tax Depreciation Rate	3.75%	7.22%	6.68%	6.18%	5.71%	5.29%	4.89%	4.52%	4.46%	4.46%	4.46%	
Plant Additions Year 3	\$ 126,221	\$ 243,018	\$ 224,842	\$ 208,013	\$ 192,193	\$ 177,888	\$ 164,525	\$ 152,206	\$ 150,186	\$ 150,153		
Tax Depreciation Rate		\$ 647,940	\$ 647,940	\$ 647,940	\$ 647,940	\$ 647,940	\$ 647,940	\$ 647,940	\$ 647,940	\$ 647,940	\$ 647,940	
Plant Additions Year 4		\$ 24,298	\$ 46,781	\$ 43,282	\$ 40,043	\$ 36,997	\$ 34,244	\$ 31,671	\$ 29,300	\$ 28,911		
Tax Depreciation Rate			\$ 610,220	\$ 610,220	\$ 610,220	\$ 610,220	\$ 610,220	\$ 610,220	\$ 610,220	\$ 610,220	\$ 610,220	
Plant Additions Year 5			\$ 22,883	\$ 44,058	\$ 40,763	\$ 37,712	\$ 34,844	\$ 32,250	\$ 29,828	\$ 27,594		
Tax Depreciation Rate				\$ 269,000	\$ 269,000	\$ 269,000	\$ 269,000	\$ 269,000	\$ 269,000	\$ 269,000	\$ 269,000	
Plant Additions Year 6				\$ 10,088	\$ 19,422	\$ 17,969	\$ 16,624	\$ 15,360	\$ 14,217	\$ 13,149		
Tax Depreciation Rate					\$ 173,030	\$ 173,030	\$ 173,030	\$ 173,030	\$ 173,030	\$ 173,030	\$ 173,030	
Plant Additions Year 7						\$ 6,489	\$ 12,493	\$ 11,558	\$ 10,693	\$ 9,880	\$ 9,145	
Tax Depreciation Rate							\$ 151,380	\$ 151,380	\$ 151,380	\$ 151,380	\$ 151,380	
Plant Additions Year 8							\$ 5,677	\$ 10,930	\$ 10,112	\$ 9,355	\$ 8,644	
Tax Depreciation Rate								\$ 133,110	\$ 133,110	\$ 133,110	\$ 133,110	
Plant Additions Year 9								\$ 4,992	\$ 9,611	\$ 8,892	\$ 8,226	
Tax Depreciation Rate									\$ 120,060	\$ 120,060	\$ 120,060	
Plant Additions Year 10									\$ 4,502	\$ 8,668	\$ 8,020	
Tax Depreciation Rate										\$ 104,400	\$ 104,400	
Plant Additions Year 11										\$ 3,915	\$ 7,538	
Tax Depreciation Rate											\$ 10,440	
Total Tax Depreciation	\$ 15,796	\$ 156,633	\$ 295,453	\$ 320,538	\$ 329,492	\$ 321,170	\$ 309,325	\$ 296,764	\$ 285,200	\$ 283,032	\$ 280,565	
<b>Income Tax Base Calculation</b>												
Operating Income Before Tax	\$ 274,223	\$ 222,739	\$ 297,521	\$ 317,315	\$ 360,652	\$ 399,108	\$ 424,249	\$ 446,778	\$ 467,280	\$ 486,255	\$ 500,046	
Book Depreciation	\$ 71,924	\$ 131,829	\$ 145,171	\$ 156,772	\$ 162,250	\$ 164,606	\$ 166,106	\$ 166,877	\$ 167,091	\$ 166,696	\$ 163,569	
Less: Interest Expense	\$ 86,601	\$ 172,879	\$ 185,065	\$ 195,307	\$ 195,203	\$ 191,417	\$ 186,303	\$ 180,028	\$ 172,829	\$ 164,806	\$ 154,105	
Less: Tax Depreciation	\$ 15,796	\$ 156,633	\$ 295,453	\$ 320,538	\$ 329,492	\$ 321,170	\$ 309,325	\$ 296,764	\$ 285,200	\$ 283,032	\$ 280,565	
Taxable Income	\$ 243,750	\$ 25,055	\$ (37,826)	\$ (41,758)	\$ (1,793)	\$ 51,126	\$ 94,727	\$ 136,863	\$ 176,342	\$ 205,113	\$ 228,945	
State Income Tax	7.10%	\$ 17,306	\$ 1,779	\$ (2,686)	\$ (2,965)	\$ (127)	\$ 3,630	\$ 6,726	\$ 9,717	\$ 12,520	\$ 14,563	\$ 16,255
Federal Income Tax	35.0%	\$ 79,255	\$ 8,147	\$ (12,299)	\$ (13,578)	\$ (583)	\$ 16,624	\$ 30,800	\$ 44,501	\$ 57,338	\$ 66,692	\$ 74,441
Calculation	\$ 10,172	\$ 78,148	\$ 142,110	\$ 193,976	\$ 191,192	\$ 176,969	\$ 160,793	\$ 144,434	\$ 129,491	\$ 124,325	\$ 120,326	
Less: Excess Tax Depreciation	\$ 10,172	\$ 78,148	\$ 142,110	\$ 193,976	\$ 191,192	\$ 176,969	\$ 160,793	\$ 144,434	\$ 129,491	\$ 124,325	\$ 120,326	
Federal Deferred Tax (MACRS)	3,560	27,352	49,738	67,891	66,917	61,939	56,277	50,552	45,322	43,514	42,114	
Federal Deferred Tax (BONUS)	-	-	-	-	-	-	-	-	-	-	-	
State Deferred Tax	722	5,548	10,090	13,772	13,575	12,565	11,416	10,255	9,194	8,827	8,543	



**NYSEG**

O&M Analysis from 2012 Annual Report  
Town of Plattsburgh 12-G-0499

Total Production Expenses =	\$129,045,926
Total Transmission Operation =	\$588,056
Total Transmission Maintenance =	\$438,022
Total Distribution Operation =	\$17,383,218
Total Distribution Maintenance =	\$19,095,705
Total Customer Accounts =	\$19,484,375
Total Customer Services =	\$1,984,099
Total Sales Expenses =	\$1,277,462
Total Admin. & General Expenses =	<u>\$32,809,196</u>
Total Gas O&M Expenses 2008 (Annual) =	\$93,060,133

Total Distribution (Feet) =	24,309,648
Total Customers =	194,756

Total Annual Cost/Foot Installed =	\$3.83
Total Annual Cost/Customers =	\$477.83

COMPANY FILING	759,696
	1073
Total Monthly Cost/Customers =	\$ 708.01

2012 Five Year Books Page 7277 of Annual Report (PSC Supp 2012)

Page 9192 of Annual Report (PSC Supp 2012)  
Page 64 of Annual Report (PSC Supp 2012)

Company Model

Annual O&M for 318 Customers was: per IR Respnse Dps 18  
\$ 10,891

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## MODIFIED BUILD-OUT PLAN

NYSEG Plattsburgh Franchise Expansion Case 12-G-0499

Included Sector Data				
Modified Build-Out Year	Sector	Potential Customers	Main Length	Density (Main Ft/Customer)
Ramp Year:	99, 13A			
2014	Unapprove Existing Mains Area	210	0	-
	Banker Rd	28	2400	86
Year 1:	19			
2015	North Cumberland Head	735	69625	95
Year 2:	29A, 39A, 40A, 42A, 44A, 45A			
2016	Sharron Ave	5	850	170
	Runway Rd, Tammy & Debra Ln	26	1225	47
	Quality Dr	21	1000	48
	State Rt 22	29	2875	99
	Salmon River Rd	21	2200	105
	Kemp Ln	41	500	12
	Linda Ln	11	650	59
Year 3:	4A, 12			
2017	Park Row	50	6100	122
	Wallace Hill Rd	33	3500	106
	Total	1210	90925	75

This was included because all 5 customers are commercial typ

Excluded Sector Data				
Proposed Build-Out Year	Sector	Potential Customers	Main Length	Density (Main Ft/Customer)
Year 3:	21			
	South Cumberland Head	70	12625	180
Year 4:	18 & GunBoat Ln			
	Rt 9 South & Old Dock Rd	21	5545	264
	GunBoat Ln	6	1000	167
Year 5:	2A & 3A			
	Church Rd	6	1700	283
	State Rt 374 (West)	30	3300	110
Year 4:	41A			
	Willow Dr	1	1200	1,200
	Total	134	25370	189

To Complete 3A, 2A Must be included (Both Sectors)

## **Preliminary Plan**

### **Town of Plattsburgh Build-Out**

**03/19/2014**

## Table of Contents

	<b>Page</b>
<b>Introduction</b>	<b>3</b>
<b>Benefit of a Town Wide Franchise</b>	<b>3</b>
<b>Build Out Overview</b>	<b>3</b>
<b>Build Out Detail</b>	<b>4 – 5</b>
<b>Estimated Ten Year Service Connection Rate by Project Year</b>	<b>6</b>
<b>Summary Chart &amp; Assumptions</b>	<b>7 – 8</b>

**Introduction**

NYSEG has a limited franchise in the Town, and is unable to provide natural gas service to these customers without first receiving approval from the PSC. Attached is **Exhibit 1** indicating the limited franchise boundary which is highlighted in yellow.

Approved main extensions are indicated with a red line (within the yellow highlight) while the unapproved extensions are red lines outside of the bounds of the yellow highlight.

Since NYSEG discovered the unauthorized main extensions, it has discontinued connections to new customers in the unauthorized areas and notified the PSC of the unintentional extension beyond the approved franchise area. The Company then filed a petition for a Town-wide unlimited franchise.

**Benefit of a Town-Wide Franchise**

A Town-wide franchise would allow NYSEG to provide gas service as defined in its current tariff and following its normal internal process for determining environmental requirements and permitting. It would also allow NYSEG to more quickly determine its ability to provide service to potential customers.

The Town-wide franchise would also allow for quick and thorough evaluation of customer extensions including working with customers early in the service process to develop options that could reduce the customer's contribution, if required. Finally, NYSEG is frequently contacted by customers inquiring about the availability of gas. A Town-wide franchise would reduce the burden on the Company's local staff to research franchise limits and to respond to these inquiries.

**Build Out Overview**

During informal proceedings, the Staff and the Company collaborated to identify what is a reasonable "footprint". Due to the expanse of the Town and its sparse population in many areas the Staff and Company agreed that the initial expansion should be limited to the defined initial footprint.

The planned build out areas are depicted on the "**Exhibit 1**" map with labeled flags. The flag labels are listed below:

2A	3A	4A	8 (south)	12	13A
18 (south)	29A	40A	41A	42A(north)	44A
45A	19	21			

NYSEG is anticipating a five (5) year timeframe to build-out the selected areas in the Town of Plattsburgh. This initial build out will provide natural gas both to areas that have expressed high interest and to where gas mains have already been installed in unauthorized areas.

### **Build Out Detail**

**Year 1** – Begin the detail project management, design including mapping, and permitting for all areas of the Years two (2) and three (3) build out.

Begin marketing of natural gas to customers located along previously installed mains to notify them natural gas is now available.

Install approximately 1,500 lineal feet of main and services to customers located on or near existing gas mains that were installed in previously unapproved areas and have either already contacted the company or have submit letters of commitment.

The anticipated streets that are part of the Year 1 build-out are:

Alabama Avenue	Arkansas Street	Ashton Drive	Bullis Road
Colorado Street	Consumer Square	Crown Pont Drive	Deer Run Dr
Delaware Avenue	Dunning Way	Fawn Ridge	Flightline Dr.
Florida Street	Four Seasons Drive	Fox Fire Drive	Heritage Dr.
Homestead Drive	Huntington Drive	Idaho Avenue	Jubert Lane
Labarge Drive	Mallard Drive	Mobile Home Dr.	Nepco Way
New York Road	S. Peru Street	Village Drive	Vintage Est
Vista Drive			

**Year 2** – Install 39,925 lineal feet of main and begin installation of services to energized mains. This phase includes the Champlain Park residential area on the south side of Cumberland Head (Sector 19). This phase will also connect the Cumberland Head Elementary School located on Cumberland Head Road.

The listing of roads is detailed below:

#### **Cumberland Head Road**

#### **Champlain Park Area**

Seneca Drive	Mohican Lane	Tioga Lane	Chenango Road
Siwanoy Lane	Mohawk Road	Oswego Lane	Genessee Lane
Iroquois Street	Valhalla Lane	Cayuga Road	Onondaga Lane
Waterhouse Road	Canestota Road		

**Year 3 - Install 44,925 lineal feet of main and continue the installation of services. This phase will complete the individual streets located on the north side of Cumberland Head and the area detailed on "Exhibit 1" (Sector 21).**

Rocky Point Drive	Fiske Lane	Barton Road	Poplar Drive
Kensington Road	Allen Road	Algonquin Pk	Lakeview Dr.
Jefferson Road	Bay Road	Quinn Lane	Blair Road
Adams Street	Wild Goose Lane	Bristol Road	Latinville Dr.
Firehouse Lane	Colligan Point Road	Maxfield Dr.	Spearman Rd.
Calbi Way	Botany Lane	Locklin Road	Quarter Horse Ln.
Hardy Road	Lake Breeze Drive	Gravelly Point Dr.	Brandell Drive
Fjord Drive	Smith Drive	Brandywine Lane	Klagac Drive
Sunnyside Road	Layman Lane	Lighthouse Road	Pristine Drive

**Year 4 – Install 14,320 lineal feet of main and additional services in the following areas:**

<u>Sector</u>	<u>Street Name</u>
18	Route 9 south and part of South Junction Road
29A	Sharon Avenue
40A	Quality Drive
41A	Willow Drive
42A*	State Route 22 North
44A	Salmon River Road
45A	Linda Lane

\* On Section 42A, it is anticipated the southern section south of the Salmon River will be served from our expansion proposal for the Town of Peru to avoid crossing the deep ravine caused by the Salmon River.

**Year 5 – Install 19,200 lineal feet main and additional services in the following areas:**

<u>Sector</u>	<u>Street Name</u>
2A	Church Road
3A	State Route 374 west
4A	Park Row
12	Wallace Hill Road
13A	Banker Road
8	Rand Hill Road



**Estimated 10 Year Service Connection Rate by Build Year**

In "Table 1" the estimates of service connections over a ten year period are listed by Build Out Year.

**Table 1. Estimated 10 Year Service Connection Rate**

Year Mains Are Installed	Estimated Service Connections Over First 10 Years from Date that Mains Are Installed										Total
	1	2	3	4	5	6	7	8	9	10	
<b>1</b>	44	44	28	14	14	12	11	12	6	6	190
<b>2</b>	77	76	51	25	25	13	13	13	7	7	308
<b>3</b>	93	93	62	31	31	13	13	13	6	6	361
<b>4</b>	22	22	15	7	7	4	3	4	2	2	88
<b>5</b>	34	34	23	11	11	3	3	3	2	2	126
<b>Total</b>	271	270	178	89	89	44	43	44	22	22	1,073

**Table 2. Summary Chart & Assumptions**

Year	Sectors	Main Footage	Total Number of Services	Build Out Notes
1	2A	1,500	192	Design service laterals to customers located along existing mains in unapproved areas. Begin detailed design of all main extensions with emphasis beginning on Years two (2) and three (3), gas service designs to follow after receiving letters of intent, permitting and contract technical specifications. The bid meetings must take place before the snow for bidders to see uncovered ground. Anticipating 895 customers will require service at the end of Year 5.
	3A			
	4A			
	8			
	12			
	13A			
	18			
	29A			
	40A			
	41A			
	42A			
	44A			
45A				
2	19	39,925	307	
3	21	44,925	362	
4	18	17,820	110	
	29A			
	40A			
	41A			
	42A			
	44A			
	45A			
5	2A	19,200	129	
	3A			
	4A			
	12			
	3A			
	8			

**Assumptions****Yearly Work Schedule**

A seven (7) month construction season with 20 days per month available is assumed based on the typical climate for the area.

**Average Foot of Main Installed Per Day**

An average installation rate of 50 to 200 feet per day per crew was used for the estimating project duration.

**Geology**

The geology within the Town of Plattsburgh is diverse. Soil maps were used to estimate areas where rock would be prevalent.

**Average Service Installations per Day**

The installation rate for services per crew is assumed to be 4 for estimate purposes.

**Assumptions (continued)**

**Average Cost Per Foot of Service**

The estimated average cost per foot for service installations used for this analysis is \$30.00.

**Average Length of Service**

The average length of service installation was estimated to be 80 feet.

**Service Connection Rate**

The services are anticipated to be connected for five (5) years following main installation for modeling purposes

Town of Plattsburgh Summary of Possible Build-Out Scenarios  Scenario	Number of Customers Connected in First 10 Years	Total Capital Expenditures Before CIAC in First 10 Years	Contrib in Aid of Const		Estimated Average Annual Residential Customer Cost/(Benefit) Over Development Period						
			Total Customer Obligation	Avg per Residential Customer	10 Year Expansion Surcharge			Gas Delivery & Supply Cost	Total Estimated Cost	Avoided Alternate Fuel Cost	Net Cost (Benefit)
					Amortiz of CIAC	Revenue Requirement Surcharge	Total Expansion Surcharge				
				(a)							
Company #1 - Zone A	86	255,561	-	-	-	-	-	998	998	(2,767)	(1,769)
Company #2 - Zones A, G, H & I	999	9,472,786	4,488,830	4,911	739	405	1,144	1,028	2,172	(2,848)	(676)
Staff #1 - Same as Co #2 (01-17) Except Include 2A, 3A, 4A, 12, Lower 8, 9 & 13 and Remove 18 North, 28A, 32A & 33A	1,115	10,765,622	5,383,547	5,217	785	408	1,193	1,035	2,228	(2,867)	(639)
Staff #2 - Same as Staff #1 Except Include 13A and Exclude 9, Lower 13 & 31A	1,094	10,035,662	4,706,393	4,655	701	383	1,084	1,031	2,115	(2,857)	(742)
Company #3A - Same as Staff #2 Except Exclude 42A South	1,073	9,779,723	4,525,070	4,585	690	378	1,068	1,031	2,099	(2,855)	(757)
Company #3A - Build-out - Same as Staff #2 Except Exclude 42A South and Reflect Build-out per IR #9	1,037	9,679,488	4,869,917	5,110	769	320	1,089	1,023	2,112	(2,836)	(724)

(a) The CIAC is not applicable to customers on existing mains.