

Proposed tariff provision

Service Classification No. 5(M)

Street and outdoor area lighting – Company-Owned (Cont'd)

Customer shall have the right and option to purchase on a mutually agreed specified purchase date, upon three (3) month's written notice to the Company prior to the specified purchase date, only that portion of the Street Lighting System determined by the Company in use and useful and devoted exclusively to furnishing street lighting service within the corporate limits of the Customer (the "property to be sold"). The purchase price for the property to be sold shall be and consist of all of the following:

[a] the reproduction cost new less depreciation;

[b] consequential and severance damages which will result or accrue to the Company from the sale and transfer of said property to the Customer;

[c] all materials and supplies related uniquely to the property to be sold;

[d] all expenses in connection with such sale.

The Customer may purchase a portion or portions of the Street lighting System from time to time by giving written notice to the Company at least three months before the intended purchase date. The purchase price for said portion or portions shall be calculated pursuant to the above pricing formula for purchase of the entire system.

