

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: December 1, 2005

Leaf No. 1
Revision: 1
Superseding Revision: 0

P.S.C. No. 120 - ELECTRICITY
SUPERSEDING P.S.C. NO. 115

NEW YORK STATE ELECTRIC & GAS CORPORATION
RULES, REGULATIONS AND GENERAL INFORMATION

SCHEDULE
FOR
ELECTRIC SERVICE

Applicable
In
All territory served by this Corporation and
In all rate schedules except as otherwise
Provided in individual rate schedules

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: November 19, 2023
Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

Leaf No. 2
Revision: 23
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New York State Electric & Gas Corporation
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GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

BINGHAMTON AREA

BROOME COUNTY:

City:

Binghamton

Villages:

Endicott
Johnson City
Lisle
Port Dickinson
Whitney Point
Windsor

Towns:

Barker
Binghamton
Chenango
Colesville
Conklin
Dickinson
Fenton
Kirkwood
Lisle
Maine
Nanticoke
Triangle
Union
Vestal
Windsor

CHENANGO COUNTY:

Village:

Afton

Towns:

Afton
Coventry
German
Greene
McDonough
Otselic
Pharsalia
Pitcher
Smithville

CORTLAND COUNTY:

Towns:

Cincinnatus
Freetown
Harford
Lapeer
Marathon (Except that portion served by the Village of
Marathon Municipal Lighting Plant
Taylor
Virgil (Southeastern portion)
Willett

TIOGA COUNTY:

Villages:

Newark Valley
Nichols
Owego

Towns:

Barton (Eastern Portion)
Berkshire
Newark Valley
Nichols
Owego
Richford
Tioga
Candor (Portion between the north and south border
lines and within one-half mile of the west
branch of Owego Creek)

GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

EAST CENTRAL AREA

BROOME COUNTY:

Village:

Deposit

Town:

Sanford

CHENANGO COUNTY:

City:

Norwich

Villages

Bainbridge

New Berlin

Oxford

Smyrna

Towns:

Bainbridge

Columbus

Greene

Guilford

New Berlin

Norwich

North Norwich

Oxford

Plymouth

Preston

Sherburne

Smyrna

COLUMBIA COUNTY:

Villages:

Chatham

Philmont

Towns:

Austerlitz

Canaan

Chatham (Except Northwest Corner)

Claverack (Eastern Portion)

COLUMBIA COUNTY (Cont'd):

Towns (Cont'd):

Copake

Ghent

Hillsdale

New Lebanon

Taghkanic (Eastern Portion)

DELAWARE COUNTY:

Villages:

Andes

Delhi

Fleischmanns

Franklin

Hancock

Hobart

Margaretville

Sidney

Stamford

Walton

Towns:

Andes (Northern Portion)

Bovina

Colchester (Northern Portion)

Davenport

Delhi

Deposit

Franklin

Hamden

Hancock (Northern Portion)

Harpersfield

Kortright

Masonville

Meredith

Middletown

Roxbury

Sidney

Stamford

Tompkins

Walton

GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

EAST CENTRAL AREA (Cont'd)

GREENE COUNTY:

Towns:

Ashland
Halcott
Jewett (Northern Portion)
Prattsville
Windham

HERKIMER COUNTY:

Village:

West Winfield

Towns:

Columbia (Southern Portion)
Litchfield (Southern Portion)
Warren
Winfield

MADISON COUNTY:

Villages:

Earlville
Madison
Morrisville

Towns:

Brookefield
Eaton
Georgetown
Hamilton
Lebanon
Madison
Smithfield

ONEIDA COUNTY:

Villages:

Bridgewater
Oriskany Falls
Waterville

Towns:

Augusta
Bridgewater

ONEIDA COUNTY (Cont'd):

Towns (Cont'd)

Kirkland (Southern Portion)
Marshall
Sangerfield

OTSEGO COUNTY:

City:

Oneonta

Villages:

Cooperstown
Gilbertsville
Laurens
Milford
Morris
Otego
Richfield Springs
Unadilla

Towns:

Burlington
Butternuts
Edmeston
Exeter
Hartwick
Laurens
Middlefield
Milford
Morris
New Lisbon
Oneonta
Otego
Otsego
Pittsfield
Plainfield
Richfield
Springfield
Unadilla
Westford

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GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

EAST CENTRAL AREA (Cont'd)

RENSSELAER COUNTY:

Towns:

Berlin
North Greenbush
Petersburgh
Sand Lake
Stephentown
Nassau (Southeast Corner)

SCHOHARIE COUNTY:

Towns:

Conesville
Gilboa
Jefferson

ULSTER COUNTY:

Towns:

Hardenburgh (Eastern Portion)
Shandaken

GRANVILLE DISTRICT

WASHINGTON COUNTY:

Villages:

Granville
Salem

Towns:

Granville
Greenwich
Hebron
Jackson
Salem

MECHANICVILLE DISTRICT

RENSSELAER COUNTY:

Town:

Schaghticoke (Western Portion)

SARATOGA COUNTY:

City:

Mechanicville

Village:

Round Lake
Stillwater

SARATOGA COUNTY (Cont'd)

Towns:

Clifton Park (Northeastern Portion)
Halfmoon (Northern Portion)
Malta (Southern Portion)
Stillwater

GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

<u>ELMIRA AREA</u>		
<u>ALLEGANY COUNTY:</u>	<u>LIVINGSTON COUNTY (Cont'd):</u>	<u>STEUBEN COUNTY (Cont'd):</u>
<u>Villages:</u>	<u>Towns:</u>	<u>Villages:</u>
Alfred	Leicester	Hammondsport
Almond	Mount Morris	North Hornell
Canaseraga	Ossian	Painted Post
	Sparta	Prattsburg
<u>Towns:</u>	Springwater	Riverside
Alfred	West Sparta	Savona
Almond		South Corning
Birdsall		Wayland
Burns	<u>ONTARIO COUNTY:</u>	
Grove	<u>Village:</u>	<u>Towns:</u>
Ward	Naples	Addison
West Almond		Avoca
	<u>Towns:</u>	Bath
	Naples	Bradford
<u>CHEMUNG COUNTY:</u>		Cameron
<u>City:</u>	<u>SCHUYLER COUNTY:</u>	Campbell
Elmira	<u>Villages:</u>	Canisteo
	Montour Falls	Caton
<u>Villages:</u>	Odessa	Cohocton
Elmira Heights		Corning
Horseheads	<u>Towns:</u>	Dansville
Millport	Catharine	Erwin
Wellsburg	Cayuta	Fremont
	Dix	Greenwood
<u>Towns:</u>	Montour	Hartsville
Ashland	Orange	Hornby
Baldwin	Reading	Hornellsville
Big Flats	Tyrone	Howard
Catlin		Jasper
Chemung	<u>STEUBEN COUNTY:</u>	Lindley
Elmira	<u>Cities:</u>	Prattsburg
Erin	Corning	Pulteney
Horseheads	Hornell	Rathbone
Southport		Thurston
Veteran	<u>Villages:</u>	Troupsburg
	Addison	Tuscarora
<u>LIVINGSTON COUNTY:</u>	Arkport	Urbana
<u>Villages:</u>	Avoca	Wayland
Dansville	Canisteo	
Leicester	Cohocton	

GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

ELMIRA AREA (Cont'd)

STEUBEN COUNTY (Cont'd):

Towns (Cont'd):

Wayne (Except Northeast Portion)
West Union
Wheeler
Woodhull

WYOMING COUNTY:

Villages:

Gainesville
Perry
Warsaw
Wyoming

Towns:

Castile
Gainesville
Genesee Falls
Middlebury
Perry
Warsaw

ITHACA AREA

CAYUGA COUNTY:

Village:

Moravia

Towns:

Locke
Moravia
Sempronius
Summerhill

SENECA COUNTY:

Villages:

Interlaken
Lodi
Ovid

Towns:

Covert
Lodi
Ovid
Romulus (Southern Portion)

CHEMUNG COUNTY:

Village:

Van Etten

Town:

Van Etten

TIOGA COUNTY:

Villages:

Candor
Spencer

SCHUYLER COUNTY:

Village:

Burdett

Town:

Hector

Towns:

Barton (Northern Portion)
Candor (Except that portion between the North &
South Border Line & within one-half mile of
the West Branch of Owego Creek)
Spencer

GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

ITHACA AREA (Cont'd)

TOMPKINS COUNTY:

City:

Ithaca

Villages:

Cayuga Heights
Dryden
Freeville
Lansing
Trumansburg

TOMPKINS COUNTY (Cont'd)

Towns:

Caroline
Danby
Dryden
Enfield
Groton
Ithaca
Lansing
Newfield
Ulysses

NORTH CENTRAL AREA

CAYUGA COUNTY:

City:

Auburn

Villages:

Aurora
Cayuga
Port Byron
Union Springs
Weedsport

Towns:

Aurelius
Brutus
Fleming
Genoa
Ledyard
Mentz
Montezuma
Owasco
Scipio
Sennett
Springport
Throop
Venice

ONONDAGA COUNTY:

Villages:

Elbridge
Jordan
Marcellus

Towns:

Camillus
Elbridge
Marcellus
Otisco (Northwestern Portion)
Spafford
VanBuren (Southern Portion)

ONTARIO COUNTY:

City:

Geneva

Villages:

Clifton Spring
Phelps
Rushville

Towns:

Geneva
Gorham
Hopewell (Eastern Portion)
Manchester (Eastern Portion)
Phelps
Seneca

GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

NORTH CENTRAL AREA (Cont'd)

SENECA COUNTY:

Villages:

Seneca Falls
Waterloo

Towns:

Fayette
Junius
Romulus (Northern Portion)
Seneca Falls
Tyre
Varick
Waterloo

STEUBEN COUNTY:

Town:

Wayne (Northeastern Portion)

WAYNE COUNTY

Villages:

Clyde
Lyons
Macedon
Newark
Palmyra
Savannah

WAYNE COUNTY (Cont'd)

Towns:

Arcadia
Galen
Lyons
Macedon
Palmyra
Savannah (Adjacent to Village)
Walworth

YATES COUNTY:

Villages:

Dresden
Dundee
Penn Yan
Rushville

Towns:

Barrington
Benton
Italy
Jerusalem
Middlesex
Milo
Potter
Starkey
Torrey

NORTHEAST AREA

CLINTON COUNTY:

Villages:

Champlain
Dannemora
Keeseville
Mooers

Towns:

Altona
Ausable
Beekmantown
Black Brook (Northeast and Southeast Corners)

CLINTON COUNTY (Cont'd):

Towns:

Champlain
Chazy
Clinton
Dannemora
Ellenburg
Mooers
Peru
Plattsburgh
Saranac
Schuyler Falls

GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

NORTHEAST AREA (Cont'd)

ESSEX COUNTY:

Towns:

Chesterfield
Elizabethtown
Essex
Jay
Keene
Lewis
Newcomb
Willsboro
Wilmington

FRANKLIN COUNTY:

Villages:

Burke
Chateaugay

Towns:

Belmont (Eastern and Southern Portions)
Burke
Chateaugay
Constable (Except Northwest Corner)
Malone (Highway Northeast Portion)

HAMILTON COUNTY:

Towns:

Indian Lake (Northern Portion)
Long Lake

SOUTHEAST AREA

DELAWARE COUNTY:

Towns:

Andes (Southern Portion)
Colchester (Southern Portion)
Hancock (Southern Portion)

DUTCHESS COUNTY:

Village

Pawling

Towns:

Amenia
Beekman
Dover
Pawling

PUTNAM COUNTY:

Village:

Brewster

PUTNAM COUNTY (Cont'd):

Towns:

Carmel
Kent
Patterson
Putnam Valley
Southeast

SULLIVAN COUNTY:

Villages:

Jeffersonville
Liberty
Monticello
Woodridge

Towns:

Bethel
Callicoon
Cochecton
Delaware

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New York State Electric and Gas Corporation
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GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

SOUTHEAST AREA (Cont'd)

SULLIVAN COUNTY (Cont'd):

Towns (Cont'd):

Fallsburg
Fremont
Highland
Liberty
Neversink (Western Portion)
Rockland
Thompson
Tusten

ULSTER COUNTY:

Town:

Hardenbergh (Western Portion)

WESTCHESTER COUNTY:

Towns:

Bedford
Lewisboro
North Salem
Poundridge
Somers
Yorktown

WALDEN DISTRICT

ORANGE COUNTY:

Village:

Walden

Towns:

Crawford (Northeastern Portion)
Montgomery (Western Portion)

ULSTER COUNTY:

Town:

Shawangunk (Western Portion)

GENERAL INFORMATION

1. Territory to which Schedule Applies (Cont'd):

WESTERN AREA

CATTARAUGUS COUNTY:

Villages:

East Randolph
Gowanda
Perrysburg
Randolph
South Dayton

Towns:

Conewango
Dayton
Leon
Napoli
New Albion
Perrysburg (Eastern Portion)
Persia

CHAUTAUQUA COUNTY:

Villages:

Cherry Creek
Forestville
Silver Creek

Towns:

Cherry Creek
Ellington
Hanover
Villanova

ERIE COUNTY:

Villages:

Alden
Depew
East Aurora
Gowanda
Hamburg
Lancaster
Orchard Park
Sloan

ERIE COUNTY (Cont'd):

Towns:

Alden
Amherst
Aurora
Boston
Cheektowaga (Eastern and Southern Portion)
Clarence
Colden
Collins (Southwestern Portion)
Concord (Except Southeastern Corner)
Elma
Hamburg (Eastern Portion)
Holland
Lancaster
Marilla
Orchard Park
Sardinia (Except Southeastern Corner)
Wales
West Seneca (Eastern Portion)

NIAGARA COUNTY:

City:

Lockport

Towns:

Lockport
Newfane (Portion adjacent to Town of Lockport)
Pendleton (Portion adjacent to Town of Lockport)

WYOMING COUNTY:

Towns:

Bennington
Java
Sheldon

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
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GENERAL INFORMATION

2. Submetering:

Non-Residential

A customer may purchase electricity for resale under any service classification of this rate schedule that would be applicable if such electricity were not for resale and said customer may resell the electricity purchased to tenants on an individually metered basis subject to approval by the Public Service Commission in response to individual proposals concerning electric service furnished to:

- A. Master metered, new or renovated non-residential buildings; and to commercial tenants who receive directly metered service; and
- B. Commercial occupants of cooperatives, condominiums, campgrounds, recreational trailer parks or recreational marinas whose occupants were purchasing individually metered electric service on May 21, 1980.

Submetered Multi-unit Residential Premises

Submetering, remetering, or resale of electric service shall be permitted as provided in subparagraphs (a) through (d) of this Rule.

- (a) Electric service shall only be provided to a multi-unit residential premises in which individual dwelling units in the premises receive submetered electric service if the submetering
 - (i) is and continues to be authorized by PSC order where a PSC order was necessary;
 - (ii) is and continues to be consistent with any conditions imposed by such order; and
 - (iii) is and continues to be consistent with 16 NYCRR Part 96.
- (b) Existing Direct Metered Multi-unit Residential Premises
 - (1) Electric service provided to individual residential units in existing multi-unit residential premises through direct metering may not be discontinued or replaced by master metering unless a Petition to Submeter is filed that:
 - (i) complies with the applicable requirements of 16 NYCRR 96.5 and 96.6;
 - (ii) seeks to convert such premises from direct metering to master-metering with submetering; and
 - (iii) demonstrates that the building or complex for which master metering with submetering is sought shall participate in building level demand response programsor
shall employ on-site co-generation plant or an alternative, advanced energy efficiency design, the conversion to submetering may be authorized by the PSC.
 - (2) All costs associated with a conversion to master metering shall be borne by the customer converting to master metering. Such costs shall be determined in accordance with P.S.C. No. 119, Rule 6, Charges for Special Services.

GENERAL INFORMATION

2. Submetering: (Cont'd)

Submetered Multi-unit Residential Premises (Cont'd)

(c) Assisted Living and Senior Living Facilities

1. Assisted Living and Senior Living Facilities may be exempted from residential individual metering requirements if they meet all of the following criteria:

- (i) The applicant shall submit sufficient documentation to enable the Company to determine the applicant's eligibility as an Assisted Living or Senior Living Facility.
 - (aa) An Assisted Living Facility is a multi-unit residential premises, identified as assisted living facilities and certified by the NYS Department of Health.
 - (bb) A Senior Living Facility is a multi-unit residential premises in which energy-efficient housing or other services are provided, and shall be provided in the future, to resident senior citizens.
 - (ii) The Company shall inform the applicant if such documentation is insufficient to determine eligibility. Within 30 days of receipt of adequate documentation, the Company shall notify the applicant of its eligibility or ineligibility for master metering.
2. All costs associated with a conversion to master metering shall be borne by the customer converting to master metering. Such costs shall be determined in accordance with P.S.C. No. 119, Rule 6, Charges for Special Services.

3. Assisted Living and Senior Living Facilities that no longer meet the above criteria or desire to convert to a different use shall no longer be exempt from individual metering requirements and shall either convert to individual metering or petition the PSC for approval of an alternative means of receiving electric service.

(d) Campgrounds, Recreational Trailer Parks, Marinas, and Parking Facilities

Electric service may be provided to the facility owner or operator of campgrounds, recreational trailer parks, marinas and parking facilities for redistribution to individual campsites, trailer, boat hookups, or plug-in electric vehicle charging stations with or without submetering. Master metering and submetering, at the facility owner's or operator's option, may be installed and used for billing without PSC approval and are not subject to submetering service conditions.

(3) Submetering in Master-metered Residential Cooperatives and Condominiums

Master-metering with submetering in residential cooperatives or condominiums shall be authorized:

- (a) after filing a Notice of Intent to Submeter which includes the information, descriptions, plans, forms, certifications, and other materials and representations specified for such Notices in 16 NYCRR 96.5;
- (b) after individual notices to owners or shareholders are provided pursuant to 16 NYCRR 96.3(c); and
- (c) upon the PSC's determination and order approving such submetering as in the public interest and consistent with the provision of safe and adequate electric service to residents.

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New York State Electric & Gas Corporation
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GENERAL INFORMATION

3. Reserved for Future Use

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 17.1

New York State Electric & Gas Corporation

Revision: 3

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GENERAL INFORMATION

3. Reserved for Future Use

GENERAL INFORMATION

4. Surcharge to Collect System Benefits Charge ("SBC")

A System Benefit Charge (SBC) recovers costs associated with clean energy activities conducted by the New York State Energy Research and Development Authority (NYSERDA). The SBC is collected from the following Service Classifications: 1, 2, 3, 5, 6, 7, 8, 9, 11, 12, 13, 14 and 15.

On an annual basis, the SBC Statement shall be filed on not less than 15 days' notice to become effective January 1st. The Company shall reserve the right to file the SBC Statement on a more frequent basis as necessary to accommodate changes to program costs as directed by the Commission Order in Case 18-E-0130. Such filing shall be made on not less than 15 days' notice prior to the effective date.

Such statement may be found at the end of this Schedule (P.S.C. No. 120 – Electricity). The statement shall set forth the following surcharge rates:

A. Clean Energy Fund (CEF) Surcharge Rate:

Beginning on March 1, 2016, the CEF surcharge rate collects funds associated with clean energy activities administered by NYSERDA for the CEF and includes the following program activities that were in effect prior to 2016: Renewable Portfolio Standard (RPS) and Energy Efficiency Portfolio Standard (EEPS). The surcharge rate shall be calculated by dividing the necessary collections by the projected annual kWh sales. Necessary collections shall include:

1. Annual authorized collections for NYSERDA administered programs, plus or minus any under- or over-collections for prior years.
2. CEF component of revenues collected by customers through the Customer Benefit Contribution ("CBC") Charge pursuant to Rule 40.A and 40.B shall be included in the surcharge reconciliation.

B. Clean Energy Standard – Tier 2 Maintenance Contracts and Backstop Charges:

The Company shall recover costs associated with the Tier 2 Maintenance Contracts and Backstop Charges (Rule 39) from all customers.

The rate shall be set annually based on expected Tier 2 Maintenance Contract costs divided by projected sales and shall include allowance for uncollectibles plus or minus any under or over-collections for prior years. If any backstop charges are incurred during the recovery period, the Company can reset the rate during that time. The Exemptions identified in Rule 4.D. below do not apply to this component of the SBC.

C. Integrated Energy Data Resource (IEDR) Surcharge

The Company shall recover costs associated with the implementation of the IEDR by NYSERDA. The surcharge shall collect costs from all customers.

The surcharge rate shall be set annually based on projected IEDR program costs divided by projected sales and shall include carrying charges using the Other Customer Provided Capital Rate, plus or minus any under- or over-collections for prior years.

D. Exemptions:

1. A customer that receives a NYPA allocation of Recharge New York power pursuant to Rule 11 or Western New York NYPA power pursuant to Rule 12 shall be exempt from the CEF surcharge of the SBC.
2. A customer with a Negotiated Agreement may be exempt from the SBC as provided for in the customer's agreement.

E. Energy Efficiency (EE) Tracker Surcharge

1. Effective December 1, 2020, the Company shall discontinue the EE Tracker component of the SBC surcharge. The EE Tracker component of the SBC surcharge shall now be recovered in the Company's base delivery rates. A customer that was exempt from paying the SBC surcharge shall continue to receive an exemption from costs associated with the EE Tracker.

2. Credits:

A customer that was exempt from the EE Tracker component of the SBC as identified in 4.D. above shall receive a delivery rate credit for costs associated with energy efficiency and Electric Heat Pump programs administered by the Company.

PSC No: 120 - Electricity

Leaf No. 18.1

New York State Electric & Gas Corporation

Revision: 4

Initial Effective Date: November 1, 2023

Superseding Revision: 2

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GENERAL INFORMATION

4. Surcharge to Collect System Benefits Charge ("SBC") (Cont'd)

E. Energy Efficiency (EE) Tracker Surcharge (Cont'd)

2. Credits: (Cont'd)

The following credits shall be applied per kW of exempt load:

SBC Exempt Customers - Per kw Credit

Service Classification (SC)	Make-Whole Rates					
	Rate Year 1 11/01/2023	Rate Year 2 05/01/2024	Rate Year 3 05/01/2025	Rate Year 1 11/01/2023	Rate Year 2 05/01/2024	Rate Year 3 05/01/2025
SC2	\$(0.67)	\$(0.87)	\$(1.10)	\$(0.11)	\$(0.11)	\$(0.11)
SC3P	\$(0.82)	\$(1.08)	\$(1.39)	\$(0.00)	\$(0.00)	\$(0.00)
SC3S	\$(0.43)	\$(0.55)	\$(0.70)	\$(0.07)	\$(0.07)	\$(0.07)
SC7-1	\$(0.81)	\$(1.05)	\$(1.35)	\$(0.14)	\$(0.14)	\$(0.14)
SC7-2	\$(0.88)	\$(1.15)	\$(1.49)	\$(0.16)	\$(0.16)	\$(0.16)
SC7-3	\$(0.82)	\$(1.08)	\$(1.40)	\$(0.14)	\$(0.14)	\$(0.14)
SC7-4	\$(0.72)	\$(0.95)	\$(1.23)	\$(0.12)	\$(0.12)	\$(0.12)

SBC Exempt Customers - Contract Demand Per kw Credit

Service Classification (SC)	Rate Year 1 11/01/2023	Rate Year 2 05/01/2024	Rate Year 3 05/01/2025	Rate Year 1 11/01/2023	Rate Year 2 05/01/2024	Rate Year 3 05/01/2025
SC2	\$(0.29)	\$(0.61)	\$(1.02)	\$(0.00)	\$(0.00)	\$(0.00)
SC3P	\$(0.35)	\$(0.71)	\$(1.16)	\$(0.00)	\$(0.00)	\$(0.00)
SC3S	\$(0.12)	\$(0.18)	\$(0.23)	\$(0.00)	\$(0.00)	\$(0.00)
SC7-1	\$(0.37)	\$(0.75)	\$(1.23)	\$(0.00)	\$(0.00)	\$(0.00)
SC7-2	\$(0.43)	\$(0.85)	\$(1.37)	\$(0.00)	\$(0.00)	\$(0.00)
SC7-3	\$(0.34)	\$(0.69)	\$(1.11)	\$(0.00)	\$(0.00)	\$(0.00)
SC7-4	\$(0.10)	\$(0.20)	\$(0.33)	\$(0.00)	\$(0.00)	\$(0.00)

SBC Exempt Customers – As-Used Demand Per kw Credit

Service Classification (SC)	Rate Year 1	Rate Year 2	Rate Year 3	Rate Year 1 11/01/2023	Rate Year 2 05/01/2024	Rate Year 3 05/01/2025
SC2	\$(0.01436)	\$(0.02968)	\$(0.04976)	\$(0.01042)	\$(0.01042)	\$(0.01042)
SC3P	\$(0.01851)	\$(0.03743)	\$(0.06142)	\$(0.02523)	\$(0.02523)	\$(0.02523)
SC3S	\$(0.01278)	\$(0.02009)	\$(0.02565)	\$(0.00000)	\$(0.00000)	\$(0.00000)
SC7-1	\$(0.01984)	\$(0.04065)	\$(0.06732)	\$(0.01353)	\$(0.01353)	\$(0.01353)
SC7-2	\$(0.02032)	\$(0.04047)	\$(0.06546)	\$(0.01380)	\$(0.01380)	\$(0.01380)
SC7-3	\$(0.02540)	\$(0.05073)	\$(0.08214)	\$(0.04399)	\$(0.04399)	\$(0.04399)
SC7-4	\$(0.04078)	\$(0.08477)	\$(0.14213)	\$(0.02300)	\$(0.02300)	\$(0.02300)

Effective May 1, 2026, the Make-Whole Rate shall expire and the Delivery Charge that appears on the customer's bill shall not include the Make-Whole Rate.

5. Reserve for Future Use.

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: October 1, 2024
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GENERAL INFORMATION

4. Surcharge to Collect System Benefits Charge (“SBC”) (Cont’d)

F. Retail and Residential Energy Storage Program Surcharge

The Company shall recover costs associated with the NYSERDA administered retail and residential energy storage programs. The surcharge shall collect costs from all customers, including NYPA customers.

The rate shall be set annually based on expected NYSERDA administered retail and residential energy storage program costs divided by projected sales and shall include carrying charges using the Other Customer Capital Rate, plus or minus any under or over-collections for prior years. The exemptions identified in Rule 4.D. above do not apply to this component of the SBC.

GENERAL INFORMATION

6. Increase in Rates and Charges Applicable Where Service is Supplied:

The rates and charges for service under all Service Classifications, including minimum charges, shall be increased to collect taxes on commodity revenue and delivery revenue calculated from the aggregate percentage rate of the taxes imposed on the Company's commodity and delivery revenues pursuant to:

- a) Section 186-a of the State Tax Law ("GIT"); and
- b) Section 20-b of the General City Law and Section 5-530 of the Village Law. The Company shall only collect and remit taxes on behalf of a Village or City seeking to impose the tax on the delivery portion or revenue received from customers where the commodity is provided by an entity other than the Company (delivery only customers) if the Village or City seeking to impose the tax on the delivery portion of revenue received from customers where the commodity is provided by an entity other than the Company (delivery only customers) if the Village or City seeking to impose the tax on the delivery portion requests the Company to do so and provides a written agreement to the Company (similar to the Example Agreement attached as Appendix B to the Order Approving Tariff Filings with Modifications, Issued and Effective September 19, 2019 in Case 19-G-0374, et. al;). When a City or Village submits the materials required to the Company to collect the Muni Tax from delivery only customers, the Company shall file a new statement with the Public Service Commission as identified in this Rule.
- c) Section 186-c and Section 209-b under Article 9 of the Tax Law -- Metropolitan Business Tax Surcharge.

For the counties of Westchester, Putnam, Dutchess and Orange, the surcharge percentages will be adjusted to reflect the Temporary Metropolitan Business Tax Surcharge ("MTA Tax") as charged to the Company under Section 186-c and Section 209-b under Article 9 of the Tax Law. A revised surcharge percentage will be filed for each year the MTA Tax surcharge is applicable. The actual tax surcharge expense will be reconciled with the amount collected during each 12-month period and a reconciling adjustment will be made, if necessary, for the last two months of each 12-month period.

Aggregate percentage tax rates will be separately calculated for rates and charges for:

- 1) Residential Non-Retail Access Delivery Service
- 2) Non-Residential Non-Retail Access Delivery Service
- 3) Non-Retail Access Commodity Service (Residential and Non-Residential)
- 4) Residential Retail Access Delivery Service
- 5) Non-Residential Retail Access Delivery Service

The effective aggregate percentage tax rates will be computed as follows:

Areas not subject to MTA Tax:

- a) Within cities or villages subject to Municipal Tax:
$$[[1/(1-(GIT + \text{Muni Tax}))]-1]*100$$
- b) Outside of cities or villages subject to Municipal Tax:
$$[(1/(1-GIT))-1]*100$$

Areas subject to MTA Tax:

- a) Within cities or villages subject to Municipal Tax:
$$[[1/[1/((1 + \text{MTA Tax})/(1-(GIT + \text{Muni Tax})))]-1]*100$$
- b) Outside of cities or villages subject to Municipal Tax:
$$[[1/[1/((1 + \text{MTA Tax})/(1-GIT))]-1]*100$$

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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Effective date POSTPONED to June 1, 2014. See Supplement No. 30
Effective date POSTPONED to July 1, 2014. See Supplement No. 31
Effective date POSTPONED to August 1, 2014. See Supplement No. 32

Leaf No. 20
Revision: 3
Superseding Revision: 2

GENERAL INFORMATION

6. Increase in Rates and Charges Applicable Where Service is Supplied: (Cont'd.)

The effective aggregate percentage tax rates will be computed as follows:

Areas not subject to MTA Tax:

- a) Within cities or villages subject to Municipal Tax:

$$[[1/(1 - (GIT + \text{Muni Tax}))] - 1] * 100$$

- b) Outside of cities or villages subject to Municipal Tax:

$$[(1/(1 - GIT)) - 1] * 100$$

Areas subject to MTA Tax:

- a) Within cities or villages subject to Municipal Tax:

$$[[1/[1/(1 + \text{MTA Tax}) / [1 - (GIT + \text{Muni Tax})]]] - 1] * 100$$

- b) Outside of cities or villages subject to Municipal Tax:

$$[[1/[1/(1 + \text{MTA Tax}) / (1 - GIT)]]] - 1] * 100$$

The applicable aggregate percentage rate and surcharge factor shall be set forth on a statement (Tax Surcharge Percentages Statement or "TSP Statement") filed with the Public Service Commission. Whenever the legislature, city, village or any other governmental authority levies a new tax on the Company, repeals such tax, or changes the rate of such tax, the Company will file a new statement.

Every such statement shall be filed not less than 15 business days before the date on which the statement is proposed to be effective, and no sooner than the date of the tax enactment to which the statement responds; shall become effective no sooner than the date when the tax enactment is filed with the Secretary of State; shall be applicable to bills subject to the tax enactments that are rendered on or after the effective date of the statement; and shall be canceled not more than five business days after the tax enactment either ceases to be effective or is modified so as to reduce the tax rate.

Such statement will be duly filed with the Public Service Commission, apart from this rate schedule, and will be available to the public at the Company offices at which application for service may be made.

GENERAL INFORMATION

7. Revenue Decoupling Mechanism Adjustment (“RDM”)

1. Applicable to:

- a. All customers taking service under residential Service Classification Nos. 1, 8, and 12, except as noted in (c.) below, and general service under Service Classification Nos. 2, 3-Primary, 3-Subtransmission, 6, 7-1, 7-2, 7-3, 9, and 11 (as further explained below), whether receiving electricity supply from the Company or an ESCO, such customers shall be subject to a RDM Adjustment as described below.
 - i. For reconciliation purposes, the Company shall combine all residential classes and shall maintain individual general service classes; as noted above in 1.a.
- b. A customer taking service under Service Classification Nos. 11 or 15, shall be subject to the RDM Adjustment based on their Otherwise Applicable Service Classification (“OASC”). A customer taking service under Service Classification No. 11 and their OASC is 7-4 Transmission shall be excluded from the RDM.
- c. The following customers shall be excluded from the RDM Adjustment: customers taking Seasonal Service under the Special Provisions in Service Classification Nos. 1 and 8, Service Classification No. 7-4 Transmission, Service Classification Nos. 5, 10, 13, and 14.

2. Definitions:

- a. “Delivery Service Revenue Target”: For residential service classifications, shall be based on combined residential service classification base delivery revenues for each month; and for general service classifications, shall be based on individual service classification base delivery revenues for each month. Delivery Service Revenue Targets for each of the Rate Years are set forth in the Joint Proposal in Case Nos. 22-E-0317, 22-G-0318, 22-E-0319, and 22-G-0320, as approved by the Commission on October 12, 2023. The Delivery Service Revenue Target for Rate Year 3 shall repeat annually until changed by the Commission.
- b. “Actual Billed Delivery Service Revenue”: For the purpose of RDM, shall be measured as the sum of the billed base delivery revenues from all customers for each service classification. Base delivery revenues include revenues related to the Customer Charge, Demand Charge (per kW), Reactive Charge (per rkvarh), Energy Charge for delivery (per kWh), Make-Whole Rate, Contract Demand Charge (per kW), As Used Demand (per kW) and the applicable delivery component of the Customer Benefit Contribution (“CBC”) Charge. For purposes of this calculation, revenues related to the System Benefits Charge (SBC), Rate Adjustment Mechanism (RAM), Merchant Function Charge (MFC), Transition Charge, Earnings Adjustment Mechanism, Non-Wire Alternatives, and New York Power Authority (NYPA) supplied usage are excluded. All sales to customers with economic development discounts or low income bill credits shall be calculated at standard service classification rates.
- c. “Rate Year”: For the purposes of RDM, Rate Year 1 shall be effective through April 30, 2024. Each Rate Year thereafter shall begin on May 1 in all subsequent 12-month periods.

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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Leaf No. 21.1
Revision: 0
Superseding Revision:

GENERAL INFORMATION

7. **Revenue Decoupling Mechanism Adjustment (“RDM”)** (Cont’d)

3. Calculation:

- a. The RDM shall reconcile per service class actual billed delivery service revenue to allowed delivery service revenue.
- b. For the residential and general service classifications or sub classification subject to the RDM as set forth in Rule 7.1.a (RDM), each month, the Company shall compare the Actual Billed Delivery Service Revenue and the Delivery Service Revenue Target. If the monthly Actual Billed Delivery Service Revenue exceeds the Delivery Service Revenue Target, the delivery service revenue excess shall be accrued for refund to customers at the end of the Rate Year. Likewise, if the monthly Actual Billed Delivery Service Revenue is less than the Delivery Service Revenue Target, the delivery revenue shortfall shall be accrued for recovery from customers at the end of the Rate Year.
- c. At the end of the Rate Year, total delivery service revenues shall be compared to cumulative monthly target revenues for the residential service classifications and each general service classification or sub classification. Any variance from cumulative target revenues shall be either refunded or surcharged to customers over the 12 monthly periods of the immediately succeeding Rate Year. Any surcharge or credit amount shall reflect interest at the then effective other customer deposit rate and shall be either recovered or returned to residential service classifications (as described in 7.1.a. (RDM). The surcharge or credit for each applicable service classification or sub classification shall be determined by dividing the amount to be refunded or surcharged to customers in that service classification or sub classification by estimated kWh or kW deliveries to customers in that service classification or sub classification over a 12-month period. A per kW surcharge or credit shall be applied for those classes that do not have a kWh delivery charge. A per kWh surcharge or credit shall apply for all other service classifications.

GENERAL INFORMATION

7. **Revenue Decoupling Mechanism Adjustment (“RDM”) (cont’d)**

3. Calculation (cont’d)

- d. Following each RDM Adjustment period, any difference between the amounts required to be charged or credited to customers in each service classification or sub classification and amounts actually charged or credited shall be charged or credited to customers in that service classification or sub classification, with interest, over the subsequent RDM Adjustment period, or as determined by the Public Service Commission, if no RDM is in effect Credits applied to Customer accounts pursuant to P.S.C. No. 119, Rule 4.S. shall be excluded at the subsequent annual reconciliation.
- e. The first two months of the Rate Year shall be adjusted upward to reverse the effect of proration of changes in effective delivery rates.
- f. If a customer qualifies for and takes service under Service Classification Nos. 13 or 14, or receives an allocation of NYPA Power, or if a customer taking service under Service Classification Nos. 13 or 14 switches to another service classification subject to the RDM, or has an allocation of NYPA power that expires, such customer migration shall be treated symmetrically using the following methodology:
 - i. If a customer moves from a flexible rate contract to an RDM class, the RDM target shall increase by the level of revenue forecast for that customer in the rate year under the flexible rate contract pro-rated by the number of months in the new service class, making the Company whole for delivery revenues below the level forecast in the rate year. Any revenue in excess of the forecast shall be credited to the RDM class.
 - ii. If a customer moves from a RDM class to a flexible rate contract, the RDM target shall be decreased by that customer's sales in the flexible rate contract priced out at full tariff rates, making the RDM class whole for delivery revenues from the migrating customer.
 - iii. In situation (a) and (b) above, the Company shall adjust the RDM targets for the remaining months of the current rate year, and in the subsequent rate years.
- g. If at any time during Rate Year, the actual total accumulated billed delivery service revenues vary plus or minus 1.50% or more from the total accumulated Delivery Service Revenue Targets, the Company may file an interim RDM Adjustment for each service classification and sub classification.

Such interim RDM Adjustment shall be limited to no more than one per Rate Year and shall occur over four months or until the end of the Rate Year, whichever is longer.

- 4. A Revenue Decoupling Mechanism (RDM) Statement setting forth the rate adjustment shall be filed with the Public Service Commission on not less than 30-days’ notice to be effective July 1. Should the Company file an interim RDM Adjustment as described above, such filing shall occur on not less than 10-days’ notice. Such statement can be found at the end of this Schedule (P.S.C. No. 120 – Electricity).

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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Revision: 7

Superseding Revision: 5

GENERAL INFORMATION

8. Reserved for Future Use

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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Issued in compliance with Order in Case No. 19-E-0378, dated November 19, 2020.

Leaf No. 24
Revision: 7
Superseding Revision: 6

GENERAL INFORMATION

- 8. Reserved for Future Use
- 9. Reserved for Future Use

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: December 1, 2020

Issued in compliance with Order in Case No. 19-E-0378, dated November 19, 2020.

Leaf No. 25

Revision: 8

Superseding Revision: 7

GENERAL INFORMATION

9. Reserved for Future Use

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York

GENERAL INFORMATION

9. Reserved for Future Use

10. Economic Development Power ("EDP"):

Economic Development Power within Service Classification No. 7 is available under the following conditions:

As of March 1, 2003, customers were taking deliveries of 36.1 MW of EDP pursuant to FERC Rate Schedule No. 179. Subject to the provisions of this Section, those customers shall continue to be billed for delivery in accordance with FERC Rate Schedule No. 179. If any EDP allocation comprising part of the 36.1 MW being delivered in accordance with FERC Rate Schedule No. 179 as of March 1, 2003 is surrendered, terminated, withdrawn or otherwise relinquished, renewed or extended, and is then re-allocated by NYPA,

- i. such allocation shall be delivered by the Company at the standard ESCO Supply Service (ESS) rate (as specified in Section 25, Supply Service Options), which includes the Transition Charge, and
- ii. the 36.1 MW level billed in accordance with FERC Rate Schedule No. 179 shall be reduced accordingly.

Beginning on August 1, 2007, customers taking deliveries of "New Allocations" of EDP shall be exempt from the Transition Charge in accordance with General Information Section 12.

EDP deliveries shall be exempt from the System Benefits Charge effective January 1, 2007. The rates and conditions provided in this provision are subject to review by, acceptance by or approval from the Federal Energy Regulatory Commission ("FERC") to the extent of the FERC's jurisdiction.

GENERAL INFORMATION

11. Recharge New York ("RNY") Power Program

Chapter 60 (Part CC) of the Laws of 2011 created the Recharge New York ("RNY") Power Program and under the RNY Power Program, NYPA is authorized to, among other things, allocate and sell up to 910 megawatts ("MW") of RNY Power to customers as provided for in Public Authorities Law § 1005(13-a) and Economic Development Law § within the entire service territory.

RNY Power currently consists of:

- (i) 455 MW of certain firm hydroelectric power (i.e. capacity and energy) from the Niagara and Saint Lawrence hydroelectric projects; and
- (ii) 455 MW of power (i.e. capacity and energy) procured by NYPA through market sources, or supplied by the Company or an ESCO.

Such implementation is conditioned upon entry by the Company and NYPA into a "Recharge New York Agreement" and upon the physical availability of RNY Power. Eligibility of individual customers is also conditioned upon compliance with the Eligibility Criteria described below

ELIGIBILITY

Effective July 1, 2012:

- A. A customer otherwise qualifying under Service Classification Nos. 2, 3, 7 or 11 that has met the requirements of the Economic Development Power Allocation Board ("EDPAB"), together with all additional approvals pertaining to such recommendation, that pursuant to Chapter 60 (Part CC) of the Laws of the New York Laws of 2011, qualifies the customer to receive an allocation of RNY from NYPA, and remain in compliance with any applicable requirements therein; and
- B. A customer receiving an RNY allocation that has received or receives an economic delivery rate pursuant to the Excelsior Jobs Program (EJ), shall choose between the economic development incentive and RNY delivery discount for which they qualify. Only one delivery discount shall be applied to a specific portion of the customer's load. The customer shall make a one-time election and provide its election to the Company in writing. If the customer fails to provide the Company with its written one-time election, the customer shall default to the EJ delivery rates. Choosing the EJ delivery rate shall not alter the supply load factor sharing described below.
 1. If a customer that is participating in the EJ incentive and has a baseload elects to receive the EJ delivery rate, the customer shall receive the RNY delivery discount on the baseload up to their designated RNY allocation.
 2. If a customer that is participating in the EJ incentive and does not have a baseload elects to receive the EJ delivery rate, the customer shall receive the EJ incentive delivery rate on their entire load and shall not receive the RNY delivery discount.
 3. A customer that is participating in the EJ and elects to receive the RNY Program delivery discounts shall receive the RNY Program delivery discounts on their entire RNY allocation and shall receive the EJ delivery rate on any qualified load above the RNY allocation.

A customer that elects to receive the EJ delivery rate shall automatically revert to receiving the RNY Program delivery discount if the EJ delivery rate is, or becomes, the same as standard service classification rates. If the EJ delivery rate becomes lower than the standard service classification rates, the customer's election of the EJ delivery rate shall be reinstated.

If a customer participating in the EJ Program does not receive its annual certification from ESD in any year they are participating in the EJ Program, the customer shall automatically revert to receiving the RNY Program delivery discount until such customer receives its certification from ESD for the EJ Program.

- C. If a customer receiving service under this Special Provision has a demonstrated financial need, such customer shall be eligible to combine the RNY delivery discount with any other economic development incentive or flexible tariff rate, term or condition under Service Classification Nos. 13 and 14 for the same portion of the customer's load. Simply qualifying for a RNY Program allocation and another economic development program is not sufficient showing of financial need for the purpose of combining delivery rate discounts on the same portion of a customer's load. A customer that qualified for a RNY Program allocation and received another economic development incentive prior to March 18, 2013, shall be grandfathered under this Rule.

NYPA shall give the Company not less than 30 days written notice prior to the requested effective date of any of the following events: (a) initial communication of a RNY allocation; (b) a change in the amount of a RNY allocation previously reported to the Company; and (c) a termination of a RNY allocation. The change to the RNY Power Allocation billing shall become effective with the next full billing period that is practicable after the notification of the change, except for customers receiving a Power for Jobs allocation whose RNY allocation becomes effective on July 1, 2012; these customers shall receive their RNY benefits starting on July 1, 2012. A change to a delivery point shall be handled as a termination of a RNY allocation to the current delivery point and an enrollment of a RNY Allocation to the new delivery point.

Service under this provision is available to customers approved by EDPAB, subject to the partial or complete withdrawal of such allocation by NYPA or the EDPAB, in the event the customer fails to maintain mutually agreed upon terms of their contracts. Service under this provision shall be available to qualified customers for the duration that such an allocation, specifically designated for the purpose of the RNY Power Program, is made available through NYPA.

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: February 15, 2021
Issued in compliance with Orders in Case Nos. 19-E-0378, dated November 19, 2020, and 20-E-0376, dated July 29, 2020.

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Revision: 12
Superseding Revision: 11

GENERAL INFORMATION

11. Recharge New York (“RNY”) Power Program (Cont’d)

Billing:

- a. The customer’s “RNY Contract Demand” shall be the level of demand specified in the customer’s RNY allocation approved by NYPA. The RNY allocation is comprised of 50% firm hydroelectric power (i.e. capacity and energy) from the Niagara and Saint Lawrence hydroelectric projects, and 50% market power (i.e. capacity and energy). The market power can be supplied by NYPA or the customer’s supplier for electricity in accordance with the Supply Service Options set forth in General Information Section 25.
- b. Delivery
 - i. The customer’s RNY allocation shall be subject to the Delivery Charges listed within the customer’s Service Classification and the Transition Charge (Non-Bypassable Charge [“NBC”]).
 - ii. The customer’s RNY allocation shall be exempt from paying the System Benefit Charge. The customer’s RNY allocation shall be exempt from the Revenue Decoupling Mechanism (“RDM”) Adjustment (as described in General Information Section 7.). The RNY allocations shall be subject to the DCFC Surcharge for a period of one year as described in Rule 43.
- c. Supply
The non-NYPA supplied load shall be billed at the ESCO Supply Service rate or the NYSEG Supply Service rate of the customer’s Service Classification. A customer eligible to take supply service from NYPA pursuant to Rule 45 of this schedule may elect such service in lieu of supply from an ESCO or the Company.

Demand Exceeding the RNY Contract Demand:

To the extent that a customer’s maximum billing demand (maximum metered demand for S.C. No. 11), for the current month exceeds its RNY Contract Demand, the customer’s billing determinants shall be allocated between NYPA and the Company or the ESCO as described below in the section denominated “Load Factor Sharing.”

Load Factor Sharing:

For customers receiving a portion, but not all, of their electric requirements pursuant to a RNY allocation, the Company shall apply a billing algorithm, the Billing Determinant Ratio (“BDR”), to identify, for the purposes of billing delivery charges, the load eligible for the RNY program pursuant to Chapter 60 (Part CC) of the Laws of 2011 and the load considered non-RNY load.

Determination of Billing Demand and Energy:

For the purposes of this procedure, Billing Demand and Energy shall be determined in accordance with the customer’s Service Classification, for S.C. No. 11 Standby customers maximum metered demand shall be used. The RNY Contract Demand shall not be prorated for billing periods less than 25 days or longer than 35 days.

Demand:

- A. Calculate the BDR which is used to allocate the present month’s Billing Demand (maximum metered demand for S.C. No. 11) and Energy between RNY and Non-RNY. The BDR’s numerator is the RNY Contract Demand and the BDR’s denominator is the greater of:
 1. the maximum Billing Demand for the current month, the maximum metered demand for S.C. No. 11,
 2. the value (size in kW) of the RNY Contract Demand.The calculated value shall then be greater than zero and less than or equal to 1.0.

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Rochester, New York

GENERAL INFORMATION

11. Recharge New York (“RNY”) Power Program (Cont’d)

Demand: (cont’d)

- B. Calculate the RNY Billing Demand. The RNY Billing Demand is the mathematical product of the BDR and the current month's Billing Demand, the maximum metered demand for SC No. 11.
- C. Calculate the non-RNY Billing Demand. The non-RNY Billing Demand is the difference between the Billing Demand (maximum metered demand for SC No. 11) for the billing period and the RNY Billing Demand from step B, above.

Energy:

- A. Calculate RNY Energy. RNY Energy is the mathematical product of the BDR and total energy consumption, consumption by peak and off-peak, or consumption by hour as applicable.
- B. Calculate non-RNY Energy. Non-RNY Energy is the difference between total energy consumption, consumption by peak and off-peak, or consumption by hour as applicable and RNY Energy from step A, above.

Capacity:

When the Company develops installed capacity (“ICAP”) requirements for RNY Power Program participants, the Company shall derive them on an individual basis at the time of the monthly NYCA peak date and time. When hourly data is not available, the appropriate service class profile will be used to determine the customer’s capacity responsibility. A new capacity responsibility amount will be established for each customer each April, to be effective on or after May 1. The ICAP requirement for the RNY Power portion of the total ICAP requirement for each Program Participants shall be split based on the demand at the NYCA peak.

GENERAL INFORMATION

12. Western New York NYPA Power (formerly known as New Allocations of NYPA Power)

Pursuant to the Commission's Order Adopting Joint Proposal on New York Power Authority Issues, issued and effective July 20, 2007 and Order Approving Request and Directing the Filing of Tariff Amendments, issued and effective November 15, 2013, Case 13-E-0109:

Western New York ("WNY") NYPA allocations are defined as allocations of NYPA Power that are part of the Expansion Power, Replacement Power, High Load Factor Manufacturer Power, or Preservation Power programs made to customers within the Company's service territory.

For customers receiving WNY Allocations of NYPA Power, such NYPA load shall be served under the applicable Service Classification Nos. 2, 3, or 7 at the Company's standard ESCO Supply Service (ESS) tariff rates, or if applicable the Excelsior Jobs Program (EJ).

- a. New allocations of NYPA power for customers served under Service Classification Nos. 2, 3, or 7, as applicable, up to a total of 100 MW, shall be exempt from the Non-Bypassable Charge. For certain adjustments approved by the Commission, a separate credit shall be calculated and placed on the customer's bill, and
- b. WNY Allocations of power for customers served under Service Classification Nos. 2, 3, or 7, shall be exempt from the Revenue Decoupling Mechanism Adjustment.
- c. A customer receiving a WNY allocation that has received or receives an economic delivery rate pursuant to the EJ incentive shall choose between the economic development incentive and WNY delivery discount for which they qualify. Only one delivery discount shall be applied to a specific portion of the customer's load. The customer shall make a one-time election and provide its election to the Company in writing. If the customer fails to provide the Company with its written one-time election, the customer shall default to the EJ delivery rates.
 1. If a customer that is participating in the EJ incentive and has a baseload elects to receive the EJ delivery rate, the customer shall receive the WNY delivery discount on the baseload up to their designated WNY allocation.
 2. If a customer that is participating in the EJ incentive and does not have a baseload elects to receive the EJ delivery rate, the customer shall receive the EJ delivery rate on their entire load and shall not receive the WNY delivery discount.
 3. A customer that is participating in the EJ incentive and elects to receive the WNY Program delivery discounts shall receive the WNY Program delivery discounts on their entire WNY allocation and will receive the EJ delivery rate on any qualified load above the WNY allocation.

A customer that elects to receive the EJ delivery rate shall automatically revert to receiving the WNY Program delivery discount if the EJ delivery rate is, or becomes, the same as standard service classification rates. If the EJ delivery rate becomes lower than the standard service classification rates, the customer's election of the EJ delivery rate shall be reinstated.

If a customer participating in the EJ Program does not receive its annual certification from ESD in any year they are participating in the EJ Program, the customer will automatically revert to receiving the WNY Program delivery discount until such customer receives its certification from ESD for the EJ Program.

If a customer receiving service under this Special Provision has a demonstrated financial need, such customer shall be eligible to combine the WNY delivery discount with any other economic development incentive or flexible tariff rate, term or condition under Service Classification Nos. 13 and 14 for the same portion of the customer's load. Simply qualifying for a WNY Program allocation and another economic development program is not sufficient showing of financial need for the purpose of combining delivery rate discounts on the same portion of a customer's load.

Supply:

For any load that is not supplied by NYPA, a customer may be eligible to take supply service from NYPA pursuant to Rule 45 of this schedule. If a customer elects such service, the supply shall be in lieu of supply from an ESCO or the Company.

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New York State Electric & Gas Corporation
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GENERAL INFORMATION

12. Reserved for Future Use

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ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York

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GENERAL INFORMATION

12. Reserved for Future Use

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12. **Reserved for Future Use**

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GENERAL INFORMATION

13. Reserved for Future Use

PSC No: 120 - Electricity
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GENERAL INFORMATION

13. Reserved for Future Use

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GENERAL INFORMATION

14. Reserved for Future Use

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GENERAL INFORMATION

14. Reserved for Future Use

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York

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GENERAL INFORMATION

15. Reserved for Future Use

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York

GENERAL INFORMATION

16. General Retail Access:

A. Introduction:

1. This Section contains the terms and conditions pertaining to General Retail Access. The rate options under which customers may take retail access are detailed in Rule 25, Supply Service Options.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

A. Introduction: (Cont'd.)

2. All transmission service within New York State is obtained through the New York Independent System Operator ("NYISO") pursuant to the NYISO Tariffs. This General Retail Access tariff may be revised, modified, clarified, supplemented, amended or superseded as may be necessary as a result of the NYISO Tariffs. The Company may seek to revise the terms and conditions of the tariff, the Electric Supplier Manual and the Operating Agreement (including any pricing terms) as necessary to comply with the requirements of the NYISO Tariffs.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

B. Definitions:

As used herein, the following terms shall have the meanings set forth below. Additionally, other terms used within this Schedule are defined in the Uniform Business Practices ("UBPs") (UPB Addendum).

Ancillary Services: Those services necessary to support the transmission of energy from generation resources to loads while maintaining reliability of the electric system. Ancillary Services are described and provided for in the NYISO (defined below).

Auction: the Company's auction of coal-fired generation assets as set forth in the Agreement approved in the Settlement Order.

Balancing and Settlement: Load Balancing and Settlement is the process of reconciling (1) scheduled deliveries of Electric Power Supply by an ESCO/DC to serve their own needs or those of Eligible Customers, to (2) total actual customer load of the ESCO or a DC's load, on an hourly basis. The NYISO provides energy imbalance service (also known as Balancing and Settlement) in accordance with the NYISO Market Services Tariff.

Business Days: As defined in the Company's Tariff, P.S.C. No. 119 - Electricity, as the same may be revised, modified, amended, supplemented, clarified or superseded.

Combination Account: A common account for both gas and electric service for the purpose of combined gas and electric billing by the Company. A Combination Account is served under P.S.C. No. 87 - Gas or P.S.C. No. 88 - Gas, and under this Schedule.

Commission or PSC: Public Service Commission of the State of New York, or any successor agency thereto.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

B. Definitions: (Cont'd.)

Customer: A customer that takes service through an account that meets the customer eligibility criteria set forth in Section 16.D.

Department of Public Service ("DPS"): The Public Service Commission Staff which is responsible for developing and implementing New York State regulatory and energy policies; receiving, investigating, and resolving complaints on billing, services, or other utility practices; and administering regulations issued by the Commission. (For example, ESCOs must file their initial eligibility application with the Commission's Consumer Services Division, a part of DPS.)

Electric Power Supply: The electricity required to meet the Eligible Customer's needs, including energy, Energy Losses, Unaccounted for Energy ("UFE"), Capacity, Capacity Reserves, Capacity Losses, ancillary services, NYPA Transmission Access Charges ("NTAC"), transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, and Supply Adjustment Charge. ESCOs/DCs are responsible for providing the full Electric Power Supply requirements of their eligible customers.

Energy Losses: The unusable energy that results from the generation, transformation, transmission and distribution of Electric Power Supply to an Eligible Customer's meter. Unaccounted For Energy ("UFE") is also included.

Industrial Customer: An account of a customer which is coded Revenue Class 30 as defined by Division "D" of the Standard Industrial Classification ("SIC") Manual that is engaged in manufacturing (SIC Codes 20-39) or Division "B" mining (SIC Major Codes 10-14) and which does not qualify for the Industrial/High Load Factor provision within S.C. Nos. 2, 3, and 7 of this tariff as more particularly described herein.

FERC: Federal Energy Regulatory Commission, or any successor agency thereto.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

B. Definitions: (Cont'd.)

Interruptible Service: Special Provision (c) of S.C.7 sets forth the terms under which the Company will provide a monthly billing credit to customers who agree to reduce their demand to a specified level when service interruption is requested by the Company.

Involuntary Switch: A process or situation where an Eligible Customer's ESCO is changed from one provider e.g., ESCO or utility, to another without the Eligible Customer's authorization. An involuntary switch that is not in accord with the "Discontinuance of Service" provision set forth in this tariff is referred to as "slamming." Examples of involuntary switches include, but are not limited to, situations where a customer returns to the Company's service as a result of an ESCO's failure to deliver, the ESCO going out of business, or the termination of the ESCO's participation in the Company's Program.

New York Independent System Operator ("NYISO"): An organization formed under FERC approval to provide equal access to the transmission system of New York State and to maintain system reliability, and any successor organization thereto.

NYISO Open Access Transmission Tariff ("NYISO OATT"): The tariff filed with and approved by FERC as the same may be revised, modified, amended, clarified, supplemented or superseded, that sets forth the rates, terms and conditions under which the NYISO provides open access transmission service.

NYISO Tariffs: The NYISO OATT (defined above) and the NYISO Market Services Tariff, as well as NYISO technical bulletins, procedures and any other guidelines issued by the NYISO that set forth the rates, terms and conditions under which the NYISO provides open access transmission services.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

B. Definitions: (Cont'd.)

Operating Agreement: The standard form agreement between the Company and the ESCO or the DC setting forth the duties, responsibilities and obligations of the Company and the ESCO or the DC, which agreement must be executed and delivered by the ESCO or the DC as a condition to participate in the Program.

Opinion No. 97-5: The Commission's Opinion and Order Establishing Regulatory Policies for the Provision of Retail Energy Services, issued and effective May 19, 1997, in Case No. 94-E-0952, as the same may be revised, modified, amended, clarified, supplemented or superseded.

Opinion No. 99-3: The Commission's Opinion and Order concerning Uniform Business Practices, in Case 98-M-1343, issued February 16, 1999 (the "UBP Order") as the same may be revised, modified, amended, clarified, supplemented or superseded.

Order: The Commission's Order Establishing Retail Access Pilot Programs, issued and effective June 23, 1997, Case No. 96-E-0948, as the same may be revised, modified, amended, clarified, supplemented or superseded.

Partial Requirements Customers: Those customers that are taking service for a portion of their load under the Company's economic incentives, Interruptible Service or NYPA service.

POLR: The Provider Of Last Resort as defined in Section 16.D.15 of this General Retail Access tariff.

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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

B. Definitions: (Cont'd.)

Segment Load Profiles: The electric power consumption (kWh) as measured in one hour intervals, statistically valid for a specified group of Eligible Customers.

Standard Load: Load served at the Company's standard tariff rates, terms and conditions.

GENERAL INFORMATION

16. General Retail Access:

B. Definitions: (Cont'd.)

Supplier Manual: The Customer Advantage Supplier Manual dated August 1, 1998, as the same may be revised, modified, amended, supplemented, clarified or superseded.

Uniform Business Practices (UBPs) shall mean those practices set forth in the UBP Addendum, which are incorporated herein by reference.

Unforced Capacity ("UCAP"): power supply resources (maximum realizable generator capabilities adjusted for forced outage rates, also may include special case resources) obtained by an ESCO/DC to meet the peak load the ESCO/DC will serve in a given Obligation Procurement Period.

Unforced Capacity Losses ("UCAP Losses"): The unusable energy and associated capacity that results from the generation, transformation, transmission and distribution of energy to meet peak load.

Unforced Capacity Reserves ("UCAP Reserves"): power supply resources (maximum realizable generator capabilities adjusted for forced outage rates, also may include special case resources) in excess of the system peak load required by the NYISO. The UCAP Reserves amount is set annually by the New York State Reliability Council ("NYSRC") or the NYISO.

Voluntary Switch: A process or situation where an Eligible Customer's ESCO is changed from one provider to another with the customer's authorization or where an Eligible Customer returns to the Company on its own initiation. A Voluntary Switch is any switch authorized by the Eligible Customer. An ESCO may act as the customer's authorized designee in a voluntary switch situation.

C. Implementation

1. See Rule 25 of this Schedule, Supply Service Options, to elect a Retail Access Rate Option.

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New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation:

1. Eligibility Requirements:

Eligibility to participate in General Retail Access is open to all customers subject to requirements set forth in Rule Nos. 16 (General Retail Access) and 25 (Supply Service Options.)

- (a) For customers taking service under an economic incentive provision, *i.e.*, EJ, the Company shall bill such incentivized or discounted load at the applicable rate option as specified in the applicable Special Provision for Economic Incentives of the respective service classifications, subject to Rule 25, Supply Service Options. The customer shall select the same Supply Service Option for all of their load, including the portion of their load receiving the incentive.
- (b) Customers whose entire load is served under Service Classification Nos. 13 or 14 may be eligible for retail access after their contracts expire, unless their contracts with the Company permit such customer to become eligible earlier. Upon expiration of such S.C. 13 or S.C. 14 contracts, customers may be eligible to select any Supply Service Option in accordance with Rule 25, Supply Service Options.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

1. Eligibility Requirements: (Cont'd.)

- (d) Customers who receive a portion of their Electric Power Supply from NYPA, (Expansion, EDP, HLFM, Replacement or Preservation Power, Recharge NY Power), with Standard Load (non-NYPA load), shall be permitted to take General Retail Access service for their Standard Load.. The NYPA load will continue to be billed at the appropriate NYPA rate as specified in General Information Rule 11 or the Special Provision of Service Classification No. 7. If the NYPA allocation expires or is terminated, the customer will have 30 days to elect a Supply Service option for that load, subject to the provisions of Section 25, Supply Service Options.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

1. Eligibility Requirements: (Cont'd.)

(e) The following customer eligibility requirements also apply:

- i. A Customer, whose Electric Power Supply and delivery would otherwise be provided by the Company, under S.C. Nos. 1, 2, 3, 5, 6, 7, 8, 9, 11 or 12, may arrange for Electric Power Supply only from an ESCO that meets the requirements set forth herein.
- ii. A Customer may select only one ESCO at a time per customer account, regardless of the number of meters.

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New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: See UBP Addendum

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New York State Electric and Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation:

1. Customer Information - Current:

All information to be furnished by the Company shall be provided electronically via EDI to ESCOs/DCs when the data is acceptable to the Company for the purposes of billing its Customers for service provided by the Company. Where estimated meter readings are used, the estimated usage must be provided to ESCOs/DCs when the data is acceptable by the Company to bill its Customers for service provided by the Company. All subsequent changes or corrections and adjustments to previously supplied data shall be made available to the ESCOs/DCs when the data is acceptable to be used for its Customers.

2. Historical & Current Information Available Free of Charge:

For usage and billing information, the Company shall provide up to 24 months of the most recent historic usage and billing information except as provided for in paragraph 3 below. For credit information, the Company shall provide information on whether the Customer had late payments and/or disconnections due to non-payment during the immediately preceding 24 months or life of the account, whichever is shorter.

3. Historical & Current Information Available For A Fee:

For historical usage and billing information, see UBP Addendum, Section 4.E. Should a Customer and/or its designee request historical usage and billing information for more than 24 consecutive months, the Company shall provide this information (if available) for a fee of \$15 for each additional 12 month period or portion thereof. Should a Customer or its authorized designee request historical interval data in special customized formats, a fee shall apply for data in excess of 24 months. Detailed interval data for an account, if available, shall be provided at a fee of \$40 per meter, per request, for data in excess of to 24 months. The fees detailed in this section shall be payable by the requestor. Information not identified in this paragraph shall be supplied, if available, at the Company's incremental cost. All information shall be provided via a non-EDI method. The Company reserves the right not to be required to provide data in any special customized format.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

4. Sending Customer Information:

Usage and billing information shall be sent to the requestor via EDI. ESCOs shall be required to obtain and retain proper customer authorization for such information. Credit information shall be mailed to the Customer's address unless the Company receives the proper written customer authorization from the ESCO in which case it shall be provided to the ESCO.

5. Confidentiality:

The ESCO must keep confidential any customer information (usage and billing and credit information) obtained from the Company. This information shall not be disclosed to any party, unless otherwise authorized by the Customer in writing. All other customer information, such as account numbers (and any passwords used, if applicable), telephone numbers and service addresses, shall also be kept confidential and not disclosed to others, unless otherwise authorized in writing by the Customer.

The Company shall not disclose a customer's usage and billing and credit information to an ESCO unless the Customer has notified the Company, in writing, that such information may be disclosed.

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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

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New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

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New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

6. Changes in Supplier:

(a) Voluntary Switch Back to the Company Service

If a Customer voluntarily chooses to switch back to the Company service for Electric Power Supply, such Customer must notify the Company at least five business days before the Customer's next scheduled meter reading date, interim estimated meter reading date or a requested Special Meter Reading date.

(b) Involuntary Switch

An involuntary switch is a process or situation where a Customer's ESCO is changed from one provider e.g., ESCO or utility, to another without the Customer's authorization. An involuntary switch that is not in accord with the "Discontinuance of Service" provisions set forth in the UBP Addendum, Section 2.F. is referred to as "slamming." Examples of involuntary switches include, but are not limited to, situations where a customer returns to the Company service as a result of an ESCO's failure to deliver, the ESCO going out of business, or the termination of the ESCO's participation in the Company's General Retail Access Program.

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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

6. Changes in Supplier: (Cont'd.)

RESERVED FOR FUTURE

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

6. Changes in Supplier: (Cont'd.)

(c) Special Meter Reading Fees

A \$20 fee per customer location, per meter, per read attempt, shall be charged to the party requesting a Special Meter Reading. A Special Meter Reading is a meter reading performed on a date other than the Customer's regularly scheduled meter reading date. Requests for Special Meter Reading dates must be made not less than five business days in advance of the requested meter reading date.

(d) Budget Billing Adjustments

The Company Budget Billings, as set forth in the Company's tariff, P.S.C. No. 119 - Electricity, at Rule 4.O, may be adjusted at the switch dates as required to reflect changes in the Company's service and, if adjusted, shall be reflected in the Customer's next bill.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

7. Metering:

- (a) The metering requirements set forth in the Company's Tariff, P.S.C. No. 119 - Electricity, General Information Section 3 - Service Connections, apply here. Eligible Customers shall continue to use existing meters.
- (b) An Eligible Customer that does not take service under an economic incentive provision that requests a meter other than that provided by the Company, commensurate with the Eligible Customer's Service Classification, is subject to the additional requirements set forth in the above referenced tariff. Meter upgrades, subject to the availability of equipment, shall be installed and operated by the Company at the Eligible Customer's expense.
- (c) The Company shall continue to own, install, maintain, and read Eligible Customers' meters used for billing purposes, with the exception of large commercial and industrial time-of-use customers who have the option of owning a Commission-approved meter as set forth in P.S.C. No. 119, with the Company retaining sole control of that meter.

Eligible large commercial and industrial time-of-use customers, or their designees, shall be allowed to receive meter data on a real-time or other basis, without incurring a fee, provided that such customers install and maintain, at their own expense, the necessary ancillary equipment required to receive such data. Such access may require the installation by the Company of a different type of meter/recorder that shall allow multiple access, with the cost responsibility of such meter/recorder and installation to be borne by the customer and with the Company retaining sole control of the meter and responsibility for the installation and maintenance of the meter and compliance with applicable Commission regulations.

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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Revision: 6
Superseding Revision: 4

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

7. Metering: (Cont'd)

(c) (Cont'd.)

A schedule of meter upgrade charges shall be provided by the Company upon the request of the customer or its authorized designee. The Company maintains a schedule of meter upgrade charges that covers standard metering options, and such schedule is available upon request.

- (d) The Company shall perform meter readings in accordance with established reading cycles and current practices and provide relevant meter reading information to the ESCO. Information provided to an ESCO may be used solely by the ESCO for the purpose of billing the customer.

8. Reserved for Future Use

9. Reserved for Future Use

10. Reserved for Future Use

11. Reserved for Future Use

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

12. Billing

- (a) Except as specified in Rule J. of this Schedule, Consolidated Billing and Payment Processing, the Company will bill a Customer only for the delivery of Electric Power Supply and other services provided by the Company. The ESCO is responsible for billing its Customer for the Electric Power Supply and other services the ESCO provides to the Customer.
- (b) The Company bill will be issued to a Customer in accordance with established billing cycles and practices applicable to such Customer.
- (c) A DC, ESCO or NYPA acting as an agent for Customers, is responsible for: (i) obtaining and scheduling Electric Power Supply with the NYISO, and (ii) complying with the provisions herein relating to Scheduling, Balancing and Settlement as specified in Rule 16.E.9 of this Schedule, with respect to its or an Customer's Electric Power Supply requirements.

13. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: November 1, 2007

Leaf No. 75
Revision: 4
Superseding Revision: 2

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

13. Reserved for Future Use (Cont'd.)

Issued in compliance with order in Case No. 07-E-0479 dated 08/29/07.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

D. Eligible Customer Participation: (Cont'd.)

14. Customer's Agent:

- (a) Participation by an Customer in the General Retail Access Program shall be deemed an election by such customer for the ESCO selected by the Customer, to act as such customer's agent and attorney-in-fact for all matters relating to acquisition of Electric Power Supply, power scheduling, and transmission service (including, but not limited to, designation by such customer's ESCO or another ESCO to take responsibility for Scheduling, Balancing and Settlement), and Customers shall be bound by any determinations, decisions, understandings or agreements reached by such ESCO with respect to Scheduling, Balancing and Settlement.

15. Provider of Last Resort ("POLR"):

- (a) The Company will be the POLR for those customers: (i) for whom competition is not a viable option, (ii) who choose not to participate in retail access, (iii) who terminate their agreements with an ESCO and fail to designate a substitute ESCO, (iv) who are acting as a DC, or (v) who are impacted by an ESCO's discontinuance of service.
- (b) As a POLR, the Company will:
 - i. Accept customers, subject to Commission consumer protection rules, and provide related customer services;
 - ii. Obtain and deliver Electric Power Supply for such customers, consistent with the then-current NYISO Tariffs and retail tariffs; and
 - iii. Provide for any programs, as approved by the Commission to assist low-income customers.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO/DC Participation:

1. Eligibility Criteria:

- (a) To be eligible to participate in General Retail Access, an ESCO/DC must meet the requirements specified in the UBP Addendum.

Issued in compliance with orders in Case 98-M-1343 dated 11/21/2003 and Cases 99-M-0631 and 03-M-0117 dated 12/19/2003.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO/DC Participation: (Cont'd.)

2. ESCO or DC Requirements:

- (a) ESCOs and DCs must sign and deliver to the Company an Operating Agreement.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO/DC Participation: (Cont'd.)

2. ESCO or DC Requirements: (Cont'd.)

- (b) ESCOs and DCs are responsible for meeting the scheduling requirements of the NYISO as specified in the NYISO Transmission Tariffs and any applicable NYISO operating manuals. Electric Power Supply is defined as the electricity required to meet the Customer's needs, including energy, Energy Losses, Unaccounted for Energy, Capacity, Capacity Losses, Capacity Reserves, ancillary services, NTAC, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, and Supply Adjustment Charge. It is the responsibility of the ESCOs/DCs to schedule enough Electric Power Supply to account for Energy Losses, Unaccounted For Energy ("UFE"), and UCAP Losses associated with their load on the Company's distribution system. The Loss and UFE factors are as set forth below.

Voltage <u>Level</u>	Service <u>Classification</u>	Energy Loss <u>Factor</u>	Capacity Loss <u>Factor</u>
Transmission	7-4	1.0000	1.0000
Subtransmission	3S, 7-3	1.0150	1.0200
Primary	3P, 7-2	1.0377	1.0480
Secondary	1, 2, 6, 7-1, 8, 9, 12, Outdoor/Street Lighting	1.0728	1.0738

In the event there is a material change or an anticipated substantial increase in the Electric Power Supply requirement of a Customer or Customers, ESCO or DC shall notify the Company of such change prior to such change or increase according to the details set forth in the Supplier Manual, and shall cooperate with the Company, as reasonably required by the Company, to accommodate such change or increase.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

2. ESCO or DC Requirements: (Cont'd.)

- (c) ESCOs must provide Home Energy Fair Practices Act (HEFPA) protections to residential customers, in compliance with the Commission's Order Relating to Implementation of Chapter 686 of the Laws of 2003 and Pro-Ration of Consolidated Bills, Case Nos. 99-M-0631 and 03-M-0017, issued June 20, 2003, together with the rules and regulations implementing the same, as may be revised, modified, amended, clarified, supplemented or superseded. Further information is available at the New York Public Service Commission's website (<http://www.dps.ny.gov/hefpa.htm>).

3. Reserved for Future Use

4. Reserved for Future Use

5. Reserved for Future Use

6. Reserved for Future Use

7. Reserved for Future Use

8. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: February 19, 2004

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Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)
 - E. ESCO or DC Participation: See UBP Addendum

Issued in compliance with orders in Case 98-M-1343 dated 11/21/2003 and Cases 99-M-0631 and 03-M-0117 dated 12/19/2003.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 1, 2017

Leaf No. 82
Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 1, 2017

Leaf No. 83
Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 1, 2017

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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 1, 2017

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Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 1, 2017

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Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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Superseding Revision: 1

GENERAL INFORMATION

- 16. General Retail Access: (Cont'd.)
 - E. ESCO or DC Participation: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 1, 2017

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Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: May 1, 2017

Leaf No. 93
Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: May 1, 2017

Leaf No. 94
Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

Reserved for Future Use

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

E. ESCO or DC Participation: (Cont'd.)

9. Scheduling, Balancing and Settlement:

- (a) The following applies to scheduling, balancing and settlement with the NYISO:
 - i. ESCOs/DCs shall schedule Electric Power Supply directly with the NYISO.
 - ii. The Company shall calculate customer load including the Company System Losses and UFE, by hour, and combine accounts by ESCO/DC and by subzone.
 - iii. The Company shall adjust the sum of all ESCO/DC load so that the hourly usage equals the NYISO-supplied subzone loads.
 - iv. The Company shall communicate the hourly load calculations to the NYISO, in accordance with the NYISO's Billing Schedule requirements for true-ups.
 - v. The NYISO shall balance those hourly load calculations with the ESCO/DC bulk power deliveries, price the imbalance, and invoice or credit the ESCO/DC for the cost of the imbalance.
- (b) When calculating wholesale hourly electric load allocations per ESCO/DC for reporting to the NYISO, the Company shall not allocate any portion of the subzonal UFE to Hourly Pricing customer load. The load assigned to ESCO/DCs for Hourly Pricing customers shall be the Hourly Pricing customer's metered hourly load plus the tariff voltage level / service class energy loss factor for that customer. All subzonal UFE shall be allocated to ESCO/DCs based on each ESCO/DCs share of non-Hourly Pricing load in a given hour.

F. Reserved for Future Use

G. Reserved for Future Use

H. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 1, 2017

Leaf No. 96
Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

See UBP Addendum

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 1, 2017

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Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 1, 2017

Leaf No. 104
Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

RESERVED FOR FUTURE USE

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: May 1, 2017

Leaf No. 105
Revision: 2
Superseding Revision: 1

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

RESERVED FOR FUTURE USE

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

I. Indemnity and Limitation on Liability:

1. Indemnification:

ESCO and DC, as applicable, agree to indemnify, defend and save harmless the Company from and against any and all liabilities, losses, damages, costs, expenses, causes of action, suits, judgments and claims, including, but not limited to, reasonable attorneys fees and the costs of investigation, (collectively "claims"), in connection with any action, suit or proceeding by or on behalf of any person, firm, corporation or other entity arising from, caused by or relating to the (i) curtailment or interruption of services to the ESCO or its Customers, or a DC, as applicable, due to causes beyond the control of the Company (including, without limiting the generality of the foregoing, executive or administrative rules or orders issued from time to time by State or Federal officers, commissions, boards or bodies having jurisdiction) or (ii) interruption, irregularity, failure or defective character of services to the ESCO, its Customers, or a DC, as applicable, due to causes beyond the control of the Company (including, without limiting the generality of the foregoing, executive or administrative rules or orders issued from time to time by State or Federal officers, commissions, boards or bodies having jurisdiction) or (iii) failure by ESCO or DC, as applicable, to perform any of the agreements, terms, covenants or conditions of the General Retail Access Program to be performed by ESCO or DC, as applicable, or (iv) failure of ESCO to perform any agreement between ESCO and its Customers.

2. Limitation on Liability:

The Company shall endeavor at all times to provide regular and uninterrupted service to the ESCO, its Customers, or a DC, as applicable, but in case the service shall be interrupted or irregular or defective or shall fail, from causes beyond the control of the Company (including, without limiting the generality of the foregoing, executive or administrative rules or orders issued from time to time by State or Federal officers, commissions, boards, or bodies having jurisdiction) or because of the ordinary negligence of the Company or its employees, contractors, subcontractors, servants or agents, the Company shall not be liable to the ESCO, its Customers, or a DC, as applicable, therefor.

Compliance with directives of the NYISO shall, without limitation by reason of specification, constitute a circumstance beyond the control of the Company for which the Company shall not be liable; provided, however, that the Company shall not be absolved from any liability to which it may otherwise be subject for gross negligence or intentional wrong doing in the manner in which it carries out the NYISO instructions.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

I. Indemnity and Limitation on Liability: (Cont'd.)

2. Limitation on Liability: (Cont'd.)

Without limiting the generality of the foregoing, the Company may, without liability therefor, interrupt, reduce or impair service to any ESCO, its Customers, or the DC, in the event of an emergency threatening the integrity of the Company's system, or any other systems with which it is directly or indirectly interconnected, if in the Company's sole judgment or that of the NYISO, such action shall prevent, alleviate or reduce the emergency condition, for such period of time as the Company or the NYISO deems necessary.

ESCOs serving Customers who require service which is uninterrupted, unreduced or unimpaired on a continuous basis should ensure that the Customers provide their own emergency or back-up capability the Company shall not be liable for any special, incidental, indirect, exemplary, punitive or consequential damages, including, but not limited to, lost profits, purchased power costs, or amounts owed by a DC or an customer to its ESCO, suffered by an ESCO, its Eligible Customers, or a DC or to any other persons or entities caused by, arising from or related to the performance of or failure to perform any of the services or obligations of the Company under the General Retail Access Program as set forth in the Company's tariff or the Electric Supplier Manual, even if the Company has been advised of the possibility of such damages.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

J. Consolidated Billing and Payment Processing

1. Description:

A Customer may elect Consolidated Billing and Payment Processing, consistent with the Commission's Order Establishing Uniform Retail Access Billing and Payment Processing Practices, Case 99-M-0631, issued May 18, 2001, as the same may be revised, modified, amended, clarified, supplemented or superseded. Further information is available at the New York Public Service Commission's website (<http://www.dps.ny.gov/ubr.htm>)

Company specific terms and conditions regarding Consolidated Billing and Payment Processing are detailed in the Billing Services Agreement and Supplier Manual.

2. Customer Eligibility:

- (a) Once EDIC for Consolidated Billing and Payment Processing is operational, Customers taking service under this Schedule, Service Classification Nos. 1, 2, 3, 5, 6, 7, 8, 9, or 12; or P.S.C. No. 121 - Electricity, may elect a Consolidated Billing and Payment Processing option, consistent with the above-referenced PSC Order.
- (b) Customers taking service under the NYPA Program, Rule 45, are not eligible for Consolidated Billing and Payment Processing.

3. Bill Issuance Charge:

A Customer electing Consolidated Billing and Payment Processing pursuant to this Section shall not be billed the monthly Bill Issuance Charge for the electric service for which Consolidated Billing and Payment Processing has been elected. All other customers receiving electric, gas, or combination service shall be billed one Bill Issuance Charge per bill.

4. Bill Processing Charges:

ESCOs shall be assessed a bill processing charge of \$0.89 per bill for a Company rendered consolidated bill for those customers with electric-only or gas-only service. ESCOs shall be assessed a bill processing charge of \$0.45 for electric service and \$0.44 for gas service for a Company rendered consolidated bill for those customers with a combination of electric and gas service.

5. Purchase of ESCO Accounts Receivable Program (POR):

- (a) ESCOs that elect the Company's consolidated billing option for all or a portion of their customers shall be required to sell their accounts receivable for such customers to the Company under the terms of the POR. ESCOs continue to have the right to issue their own bill using dual billing for all or a portion of their customers. Such ESCOs shall be precluded from participating in the POR for customers receiving dual billing.
- (b) The POR obviates the need for the Company to prorate partial customer payments among ESCOs that are participating in the POR.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)
J. Consolidated Billing and Payment Processing (Cont'd)

6. Account Separation Fee

In accordance with Section 9.C.4 of the UBP addendum to this schedule, an ESCO desiring to issue the Consolidated Bill for a customer with a Combination Account may request the Company to establish a separate account for the electric or gas service to be supplied by the ESCO. A fee of \$18.00 shall be charged to the ESCO requesting establishment of a separate electric or gas account.

K. Purchase of ESCO Accounts Receivable Program (POR):

In accordance with the Joint Proposal on Purchase of Accounts Receivable ("POR JP") dated October 28, 2005, in Case 05-M-0453, as approved by the Public Service Commission's Order Adopting the Terms and Conditions of the Joint Proposal for the Purchase of Accounts Receivable, issued December 27, 2005, as amended with the Joint Proposal dated July 14, 2010 in Cases 09-E-0715, 09-G-0716, 09-E-0717, and 09-G-0718, and as further amended by the Joint Proposal dated February 19, 2016, in Cases 15-E-0283, 15-G-0284, 15-E-0285, and 15-G-0286. The Company shall purchase accounts receivable at a discount and without recourse for commodity sales by ESCOs that provide commodity service in the Company's territory.

Eligibility Requirements:

ESCOs that elect the Company's consolidated billing option for all or a portion of their customers shall be required to sell their accounts receivable for such customers to the Company under the terms of the POR. ESCOs continue to have the right to issue their own bill using dual billing for all or a portion of their customers. Such ESCOs shall be precluded from participating in the POR for customers receiving dual billing.

Purchase Price:

Electric accounts receivable shall be purchased at a discount off face value of the ESCO receivable. The discount rate shall be sufficient to compensate the Company for its financial risk in purchasing electric receivables, and be comprised of the following components:

- a) Commodity-related Uncollectible percentage based on total Company uncollectible costs for the most recent available 12-month period divided by the sum of the total retail, retail access, and purchased ESCO receivables revenue for the same 12-month period.
- b) Financial Risk Adder set at 20% of the applicable uncollectible percentage;
- c) Commodity-related credit and collections and call center percentage.

Discount rates shall be adjusted each year to reflect the Company's most recent 12-month experience for uncollectible expense. Additionally, the credit and collections and call center allocation included in the discount rate shall be reconciled annually, with any under- or over-collections included in the following year's discount rate.

Beginning with the statement to be effective May 1, 2017, a POR Discount (DISC) Statement setting forth the electric discount and the gas discount shall be filed with the Public Service Commission 60 days prior to the May 1, effective date of each annual update.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

K. Purchase of ESCO Accounts Receivable Program (POR): (Cont'd.)

Payments:

As specified in Appendix B of the POR JP, payments to ESCOs shall be made, via ACH (Automated Clearing House), 20 days after acceptance of the EDI 810 transaction.

Other Considerations:

The POR shall be subject to modifications based upon Commission orders, rules, and regulations applicable to retail access, including, but not limited to, the Uniform Business Practices, proration of customer payments under a single bill, and provisions of Home Energy Fair Practices Act. The POR obviates the need for the Company to prorate partial customer payments among ESCOs that are participating in the POR.

L. Community Choice Aggregation (“CCA”) Program

1. A CCA Program allows municipalities (villages, towns and cities) to aggregate the usage of eligible CCA customers (residential and small non-residential customers) within a defined jurisdiction in order to secure an alternative energy supply contract on a community-wide basis.
 - i. In accordance with the Orders issued April 21, 2016 and December 14, 2017, in Case 14-M-0224, designee (CCA Administrator or ESCO):
 - (a) must sign a Data Security Agreement acceptable to the Company, and
 - (b) must have an approved implementation and data protection plan and certification of local authorization approved by the NYS PSC.
 - ii. Upon fulfilling the requirements in Rule 1, the Company will provide the following information to the municipality or their designee in accordance with the terms stated herein.
 - (a) Aggregated customer data, including the number of customers by service class, the aggregated peak demand (kW) by month for the past 12 months by service class if applicable, and the aggregated energy (kWh) by month for the past 12 months by service class. This information will be provided to the municipality or CCA Administrator within twenty days of a request. The Company will notify the requesting party if data for any service class that the Company contains so few customers, or in which one customer makes up a large portion of the load, such that the aggregated information does not pass the relevant aggregation privacy standard. The Company will work with the requestor to revise the request in order to address the identified reason(s) such as expanding the geographic area included in the request or combining customer classes or other means.

GENERAL INFORMATION

16. General Retail Access: (Cont'd.)

L. Community Choice Aggregation (“CCA”) Program (Cont’d) ii. (Cont’d)

(b) After each municipality has entered into a CCA contract with an ESCO, the Company shall transfer customer-specific data to the municipality or CCA Administrator within five days of receipt of a request to support the mailing of opt-out notices. The data shall include all customers in the municipality eligible for opt-out treatment based on the CCA and the requirements of the April 21, 2016, and January 29, 2023, Orders issued in Case 14-M-0224. The data should include:

- 1) Customer of record’s name
- 2) Mailing Address
- 3) Primary Language (if available from the Company’s billing system)
- 4) Any customer-specific alternate billing name and address
- 5) Bill cycle and period code
- 6) Tax-exempt Status
- 7) Net metered/VDER/solar account indicator
- 8) Dual-meter indicator

(c) After the opt-out process has been completed, the Company shall transfer account numbers for eligible customers that did not opt-out to the ESCO providing service within five days of receipt of a list of customers that opted out. These account numbers may be transmitted via electronic mail in secured, encrypted spreadsheets, through access to a secure website, or through other secure methods of transfer.

(d) Upon request by the municipality or CCA Administrator the Company will transfer the customer data in (b) to the requestor within five days of the request for newly eligible customers that became customers of the Company since the last eligible customer list was provided and were not on a previous eligible for out-out list. The Company will distinguish between new accounts and customers that are now opt-out eligible for other reasons. After the opt-out process has been completed for those customers, the Company will provide account numbers for customers that did not opt-out as described in (c).

2. Dispute Resolution

For disputes arising in relation to a CCA, the Company, CCA Administrators, and Energy Service Entities may utilize the dispute resolution process specified in the January 19, 2023, Order issued in Case No. 14-M-0224.

17. Reserved for Future Use

GENERAL INFORMATION

18. High Load Factor Manufacturer Power ("HLFM")

Before service will commence under this Special Provision the Corporation and the New York Power Authority ("NYPA") must execute an agreement governing additional terms of HLFM service. Subject to the execution of that agreement by the Corporation with NYPA related to the provision of HLFM service, NYSEG will deliver NYPA HLFM power for customer loads not previously served by NYSEG, at the rates set forth in Special Provision (d) - Economic Incentives, Sub-Section No. 9 - High Load Factor Manufacturer Power within Service Classification No. 7.

HLFM service for all other customers who receive HLFM allocations shall be provided pursuant to the General Retail Access provision as set forth in Section 16 in the General Information section of this Schedule.

The rates and conditions provided in this provision are subject to review by, acceptance by, or approval of, the Federal Energy Regulatory Commission to the extent of the Federal Energy Regulatory Commission's jurisdiction.

The portion of the customer's demand and energy needs met by the delivered HLFM power will be billed in accordance with Special Provision (d)(8), - High Load Factor Manufacturer Power, within Service Classification No. 7. The customer's power requirements in excess of the HLFM power will be billed at the Service Classification No. 7 rates applicable to the customer's voltage level.

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GENERAL INFORMATION

19. Reserved for Future Use

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York

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GENERAL INFORMATION

19. Reserved for Future Use

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GENERAL INFORMATION

20. Reserved for Future Use

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20. Reserved for Future

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GENERAL INFORMATION

21. Reserved for Future Use

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GENERAL INFORMATION

21. Reserved for Future Use

ISSUED BY: Joseph J. Syta, Vice President Controller and Treasurer, Binghamton, New York

GENERAL INFORMATION

22. Distributed Energy Resources

The following requirements are applicable to all customers that install an eligible Distributed Energy Resource (DER) as described for each program. A customer with a DER shall take service under the otherwise applicable standard service classification and shall be exempt from Standby Service.

A. Interconnection

a. Interconnection Requirements

- i. Interconnection requirements are established in P.S.C. No. 119, General Rule No. 9, Distributed Energy Resource Interconnection Requirements.
- ii. Applicable to any customer installing a Distributed Energy Resource (DER) unit (e.g. distributed generation or energy storage system) 5 MW or less, connected in parallel with the Company's utility distribution system.
- iii. These requirements are not applicable to a DER unit which is not connected to the Company's distribution grid.
- iv. A customer that is installing DER is required to comply with the Standardized Interconnection Requirements (SIR), including the standard applications and contracts, are set forth within Addendum-SIR to P.S.C. No. 119.

B. Uniform Business Practices – Distributed Energy Resources Providers

The rules applicable to DER Suppliers are contained in the Addendum, UBP-DERS, attached to this Schedule, which are incorporated herein.

The UBP-DERS contains provisions applicable to all DER Suppliers as well as provisions applicable only to Community DG providers (pursuant to Rule 37) and on-site mass market DG providers.

C. Metering Requirements applicable

- a. A Net Metered Generation Facility that has completed Step 8 of the SIR Addendum-SIR or has installed Net Metered Generation Facility on or prior to March 9, 2017 ("Existing"), the Company shall install metering appropriate for the customer's service classification that enables the Company to measure the electricity delivered to the customer and measure the electricity supplied by the customer to the Company.
- b. A Net Metered Generation Facility that does not meet the requirements in a. above, or the Host Account of a project that is participating in Remote Crediting: the Company shall install metering capable of recording net hourly consumption and injection for a customer. The customer shall be responsible for the cost of the meter, the installation, the communication to the meter and any additional costs.
- c. Where the Company determines that a second meter should be installed, no additional costs shall be billed to the customer. When a second meter is requested by the customer that is not required by the Company, the customer shall be responsible for the cost of the meter, the installation, and any additional costs.

GENERAL INFORMATION

22. Distributed Energy Resources (Cont'd)

D. Programs

1. Grandfathered NEM

Grandfathered Net Energy Metering for Solar Electric Generating Equipment, Farm Waste Electric Generating Equipment, Micro-Combined Heat and Power Generating Equipment, Fuel Cell Electric Generating Equipment, and Micro-Hydroelectric Generating Equipment (PSL §66-j) and Wind Generation Equipment (PSL §66-l). Such system must be connected to the customer's electric system and must be operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in conjunction with the Company's transmission and distribution facilities, and that is operated in compliance with any standards and requirements established under this section. A customer may include energy storage equipment when submitting an application for net metering pursuant to this subdivision of Grandfathered NEM.

A. Eligible Generation Facilities pursuant to PSL §66-j:

1. Eligible Capacity

The total rated generating capacity for solar, farm waste, micro-hydroelectric, MCHP and fuel cell electric generating equipment owned, leased or operated by customer-generators in the Company's service area shall not exceed 98.16 MW, the total rated generating capacity of interconnected projects served by the Company under PSL §66-j as of the close of business on March 9, 2017, including projects to be served by the Company under PSL §66-j for which either Step 8 (for projects greater than 50kW) or Step 4 (for projects 50kW or less) of the Standard Interconnection Requirements (SIR), as applicable, had been completed by the close of business on March 9, 2017. This MW limit shall automatically decrease as projects served under PSL §66-j are taken out of service, but shall not decrease below 28.26 MW, representing 1% of the Company's electric demand for the year 2005.

- a) A Residential Customer (as defined by HEFPA), and farm customer as defined in Subdivision 11 of Section 301 of the Agriculture and Markets Law, may install and operate solar generating equipment located and used at his or her residence. Solar generating equipment is defined as a solar system, with a rated capacity of not more than 25 kW that is manufactured, installed and operated in accordance with applicable government and industry standards. Farm customers may install solar generating equipment with a rated capacity of not more than 100 kW, that is manufactured, installed and operated in accordance with applicable government and industry standards.
- b) A Non-Residential Customer who operates solar generating equipment located and used at its premises. Solar generating equipment is defined as a solar system that is manufactured, installed and operated in accordance with applicable government and industry standards with a rated capacity of not more than 2,000 kW.

GENERAL INFORMATION

22. Distributed Energy Resources (Cont'd)

D. Programs (Cont'd)

1. Grandfathered NEM (Cont'd)

A. Eligible Generation Facilities pursuant to PSL §66-j: (Cont'd)

- c) A customer, residential or non-residential, who owns or operates farm waste electric generating equipment that generates electric energy from biogas produced by the anaerobic digestion of agricultural wastes with a rated capacity of not more than 2,000 kW, located and used at their "farm operation" as defined in Subdivision 11 of Section 301 of the Agriculture and Markets Law. Such definition states that a "farm operation" means the land and on-farm buildings, equipment, manure processing and handling facilities, and practices which contribute to the production, preparation and marketing of crops, livestock and livestock products as a commercial enterprise, including a "commercial horse boarding operation" as defined in subdivision thirteen of this Section 301 of the Agriculture and Markets Law.
 - i. The farm waste electric generating equipment must be manufactured, installed and operated in accordance with applicable government and industry standards. The equipment must be fueled, at a minimum of 90% on an annual basis, by biogas produced from the anaerobic digestion of agricultural waste such as livestock manure materials, crop residues and food processing waste. The equipment must be fueled by biogas generated by anaerobic digestion with at least 50% by weight of its feedstock being livestock manure materials on an annual basis. The customer, at its expense, shall promptly provide to the Company all relevant, accurate and complete information, documents, and data, as may be reasonably requested by the Company, to enable the Company to determine whether the customer is in compliance with these requirements.
- d) A Residential Customer (as defined by HEFPA) who owns, leases or operates MCHP generating equipment. MCHP generating equipment is defined as an integrated, cogenerating building heating and electrical power generation system, operating on any fuel and of any applicable engine, fuel cell, or other technology, with a rated capacity of at least one kW and not more than 10 kW electric and any thermal output that at full load has a design total fuel use efficiency in the production of heat and electricity of not less than 80%, and annually produces at least 2,000 kWh of useful energy in the form of electricity that may work in combination with supplemental or parallel conventional heating systems, that is manufactured, installed and operated in accordance with applicable government and industry standard.
- e) A Residential Customer (as defined by HEFPA) who owns, leases or operates fuel cell generating equipment located and used at his or her residence. Fuel cell generating equipment is defined as a solid oxide, molten carbonate, proton exchange membrane or phosphoric acid fuel cell with a combined rated capacity of not more than 10 kW; that is manufactured, installed and operated in accordance with applicable government and industry standards.
- f) A Non-Residential Customer who owns, leases or operates fuel cell generating equipment located and used at their premises. Fuel cell generating equipment is defined as a solid oxide, molten carbonate, proton exchange membrane or phosphoric acid fuel cell with a combined rated capacity of not more than 2,000 kW that is manufactured, installed and operated in accordance with applicable government and industry standards.

GENERAL INFORMATION

22. Distributed Energy Resources (Cont'd)

D. Programs (Cont'd)

1. Grandfathered NEM (Cont'd)

A. Eligible Generation Facilities pursuant to PSL §66-j: (Cont'd)

- g) A Residential Customer (as defined by HEFPA) who owns or operates micro-hydroelectric generating equipment located and used at their residence. Micro-hydroelectric generating equipment is defined as a hydroelectric system with a rated capacity of not more than 25 kW; that is manufactured, installed and operated in accordance with applicable government and industry standards.
- h) A Non-Residential Customer who owns or operates micro-hydroelectric generating equipment located and used at their premises. Micro-hydroelectric generating equipment is defined as a hydroelectric system with a rated capacity of not more than 2,000 kW; that is manufactured, installed and operated in accordance with applicable government and industry standards.

2. Term

- 1. The Company shall net the electricity (kWh) delivered to the customer life of the generating system for a customer that on or prior to March 9, 2017 has:
 - a. completed Step 4 of the SIR Addendum for generating equipment less than 50 kW; or
 - b. installed generating equipment on or prior to March 9, 2017.
 - c. A customer may opt to take service under Rule 40, Value of Distributed Energy Resources (VDER). Such election shall be a one-time election and shall be irrevocable.
- 2. A customer that installs solar generating equipment after March 9, 2017 shall refer to Rule 40, Value of Distributed Energy Resources (VDER), A. Phase One Net Energy Metering ("NEM") or B. Value Stack, as applicable

3. Billing

1. Residential

For each billing period during the term of the SIR Contract, the Company shall net the electricity (kWh) delivered to the customers with the electricity (kWh) supplied by the customer to the Company.

- a) If the electricity (kWh) supplied by the Company exceeds the electricity supplied by the customer to the Company during the billing period the customer shall be billed for the net kWh supplied by the Company to the customer at the standard service class rates. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak or Day/Night, netting shall occur in each time period.
- b) If the electricity (kWh) supplied by the customer to the Company during the billing period exceeds the electricity (kWh) supplied by the Company to the customer, a kWh credit shall be carried forward for the next billing period. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak or Day/Night, the kWh credit shall be carried forward as a credit to the appropriate time period.

GENERAL INFORMATION

22. Distributed Energy Resources (Cont'd)

D. Programs (Cont'd)

1. Grandfathered NEM (Cont'd)

A. Eligible Generation Facilities pursuant to PSL §66-j:

3. Billing (Cont'd)

1. Residential (Cont'd)

- c) For customers billed on TOU rates, if the electricity (kWh) supplied by the customer to the Company is not metered for each TOU period and until such time as metering is installed to measure electricity supplied to the Company in each TOU period, an allocation of the electricity supplied to the Company shall be done according to allocation factors as set forth in a Special Provision provided in each service classification in this Schedule.
- d) For Residential Solar and Farm Waste Generators – Cash-Out Provision
 - 1. If (a) on an annual basis, during the term of the SIR Contract or (b) on the date the SIR Contract is terminated pursuant to the terms and conditions of said Contract, there exists a positive (kWh) balance for an accumulation of excess generation provided to the Company, then a cash payment shall be issued to the customer.
 - i. For a Non-hourly Pricing customer, the payment shall be for an amount equal to the product of the excess balance times the average avoided cost for energy over the most recent 12-month period.
 - ii. For an Hourly Pricing customer, the payment shall be for the remaining portion of the excess credit priced at avoided cost, after credits are applied to the current bill period. Any remaining non-avoided cost monetary credits are reset to zero.
 - 2. A customer shall be provided a one-time option to select an individual anniversary date for the annual cash-out of excess net metering credits.
 - i. For a Non-hourly Pricing customer, the initial cash-out payment shall be equal to the product of excess balance multiplied by the average avoided cost for the energy over the number of months the customer has taken service under this provision.
 - ii. For an Hourly Pricing customer, the initial cash-out payment shall be for the remaining portion of the excess credit priced at avoided cost, after credits are applied to the current bill period. Any remaining non-avoided cost monetary credits are reset to zero. Upon the Company's determination that the customer has taken service under this Section while in violation of the conditions of service set forth herein, the customer shall forfeit any positive balance accrued during the annual period in which the violation occurred.

2. Non-Residential

For each billing period during the term of the SIR Contract, the Company shall net the electricity (kWh) delivered to the customers with the electricity (kWh) supplied by the customer to the Company.

Non-Hourly Pricing

- a) If the electricity (kWh) supplied by the Company exceeds the electricity supplied by the customer to the Company during the billing period, the customer shall be billed for the net kWh supplied by the Company to the customer at the standard service class rates. For customers billed on Time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, netting shall occur in each time period.
- b) If the electricity (kWh) supplied by the customer to the Company during the billing period exceeds the electricity (kWh) supplied by the Company to the customer, a kWh credit shall be carried forward for the next billing period. For customer billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, the kWh credit shall be carried forward as a credit to the appropriate time period.

GENERAL INFORMATION

22. Distributed Energy Resources (Cont'd)

D. Programs (Cont'd)

1. Grandfathered NEM (Cont'd)

A. Eligible Generation Facilities pursuant to PSL §66-j: (Cont'd)

3. Billing (Cont'd)

2. Non-Residential (Cont'd)

- c) For a demand-billed customer, prior to carrying forward any kWh credit, the kWhs shall be converted to a dollar value using the applicable tariff per kWh rate and applied as a credit to the current utility bill. If the dollar value of the kWh exceeds the current utility bill, any remaining dollars shall be converted back to kWhs and carried forward for the next billing period as a kWh credit.
- d) For customers billed on TOU rates, if the electricity (kWh) supplied by the customer to the Company is not metered for each TOU period and until such time as metering is installed to measure electricity supplied to the Company in each TOU period, an allocation of the electricity supplied to the Company shall be done according to allocation factors as set forth in a Special Provision provided in each service classification in this Schedule.

Hourly Pricing

- a) For customers billed on Hourly Pricing, for each hour, the customer's usage and its generation are netted within the hour.
- b) Kilowatt-hour charges are calculated using the consumption in each hour in which the customer's usage exceeds the customer's generation multiplied by the applicable charge.
- c) For each hour the electricity generated and supplied by the customer exceeds the customer's usage, the kWh difference is multiplied by the applicable tariff per kWh rates (e.g., Energy Charge, Supply Charge, Merchant Function Charge, Ancillary & NTAC, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, SBC, RDM, and Supply Adjustment Charge.) This is the current month's excess monetary credit.
- d) The excess monetary credit from the current and/or prior bill period(s) is applied to the current billing period. If the excess monetary credit exceeds the current utility bill, the monetary credit is carried forward to the next billing period.

B. Eligible Wind Generation PSL §66-l

1. Eligible Capacity

Application of the Wind Residential Service Option shall be available to eligible customers, on a first come, first served basis, until the total rated generating capacity for all wind electric generating equipment owned or operated by customer generators in the Company's service area is equivalent to 8,478 kW (3 /10% of the Company's electric demand for the year 2005) and is available only in non-network areas of the Company's territory.

- a. Applicable to any Residential Customer (as defined by HEFPA) who operates wind generating equipment located and used at his or her primary, legal residence. Wind generating equipment is defined as a wind system, with a rated capacity of not more than 25 kW that is manufactured, installed and operated in accordance with applicable government and industry standards.

GENERAL INFORMATION

22. Distributed Energy Resources (Cont'd)

D. Programs (Cont'd)

1. Grandfathered NEM (Cont'd)

B. Eligible Wind Generation (PSL §66-l): (Cont'd)

1. Eligible Capacity (Cont'd)

- b. Applicable to any customer who owns or operates farm wind electric generating equipment ("Facility"), that generates electric energy with a rated capacity of not more than 500 kW; where the customer's primary residence is located on the same land used for his or her "farm operation" as defined in Subdivision 11 of Section 301 of the Agriculture and Markets Law. Such definition states that a "farm operation" means the land and on-farm buildings, equipment, manure processing and handling facilities, and practices which contribute to the production, preparation and marketing of crops, livestock and livestock products as a commercial enterprise, including a "commercial horse boarding operation" as defined in subdivision thirteen of this Section 301 of the Agriculture and Markets Law.
- c. Applicable to any Non-Residential Customer who operates wind generating equipment located and used at its premises. Wind generating equipment is defined as a wind system that is manufactured, installed and operated in accordance with applicable government and industry standards with a rated capacity of not more than 2,000 kW.

2. Billing

For each billing period during the term of the SIR Contract, the Company shall net the electricity (kWh) delivered to the customers with the electricity (kWh) supplied by the customer to the Company.

- a) If the electricity (kWh) supplied by the Company exceeds the electricity supplied by the customer to the Company during the billing period the customer shall be billed for the net kWh supplied by the Company to the customer at the standard service class rates. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak or Day/Night, netting shall occur in each time period.
- b) If the electricity (kWh) supplied by the customer to the Company during the billing period exceeds the electricity (kWh) supplied by the Company to the customer, a kWh credit shall be carried forward for the next billing period. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak or Day/Night, the kWh credit shall be carried forward as a credit to the appropriate time period.

c) Cash-out

Applicable to Residential Wind or Farm Wind customers:

- a. If, (a) on an annual basis, during the term of the SIR Contract or (b) on the date the SIR Contract is terminated pursuant to the terms and conditions of said Contract, there exists a positive (kWh) balance for an accumulation of excess generation provided to the Company, then a cash payment shall be issued to the customer.
 - i. For a Non-hourly Pricing customer, the payment shall be for an amount equal to the product of the excess balance times the average avoided cost for energy over the most recent 12-month period.
 - ii. For an Hourly Pricing customer, the payment shall be for the remaining portion of the excess credit priced at avoided cost, after credits are applied to the current bill period. Any remaining non-avoided cost monetary credits are reset to zero.

GENERAL INFORMATION

22 - Distributed Energy Resources (Cont'd)

D. Programs (Cont'd)

1. Grandfathered NEM (Cont'd)

B. Eligible Wind Generation (PSL §66-l): (Cont'd)

2. Billing (Cont'd)

- b. A customer shall be provided a one-time option to select an individual anniversary date for the annual cash-out of excess net metering credits.

- C. Upon the Company's determination that the customer has taken service under Grandfathered NEM while in violation of the conditions of service set forth herein, the customer shall forfeit any positive balance accrued during the annual period in which the violation occurred.

2. Community Distributed Generation

Please refer to Rule 37, Community Distributed Generation for requirements specific to a Host and Satellite that is participating in Community Distributed Generation and for rules pertaining to the calculation and application of credits for excess generation.

3. Remote Net Metering

Please refer to Rule 42, Remote Net Metering for requirements specific to a customer that is participating in Remote Net Metering and for rules pertaining to the calculation and application of credits for excess generation.

4. Remote Crediting

Please refer to Rule 50, Remote Crediting Program for rules specific to a Host and Satellite that is participating in Remote Crediting program and for rules pertaining to the calculation and application of credits for excess generation.

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23. Reserved for Future Use

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23. Reserved for Future Use

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23. Reserved for Future Use

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23. Reserved for Future Use

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GENERAL INFORMATION

23. Reserved for Future Use

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23. Reserved for Future Use

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23. Reserved for Future Use

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ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York

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ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York

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GENERAL INFORMATION

25. Supply Service Options

I. Supply Service Options

A. Supply Service Options

The Company shall offer a Retail Access choice and a Non-Retail Access choice, as described below. These Supply Service Options are available to all customers, except as noted herein and in Rule 25.I.F.

1. ESCO Supply Service (ESS): This Retail Access choice includes fixed charges for NYSEG delivery service a Transition Charge described in Rule 25.I.B. and a Bill Issuance Charge, if applicable. An ESCO provides Electric Power Supply to the customer.
2. NYSEG Supply Service (NSS): This Non-Retail Access choice includes fixed charges for NYSEG delivery service, a Transition Charge as described in Rule 25.I.B., a Bill Issuance Charge, a fluctuating commodity charge for electricity supplied by NYSEG as described in Section 25.I.C., and a Merchant Function Charge ("MFC") as described in Rule 25.I.D.
 - a. The commodity charge for customers billed under Service Classification Nos. 1, 5, 6, 9 and non-demand billed Service Classification No. 11 customers within P.S.C. No. 120, and P.S.C. No. 121 Street Lighting, shall reflect a managed mix of supply resources.
 - b. The commodity charge for customers billed under Service Classification Nos. 2, 3, 7, 8, 12, Hourly Pricing demand billed Service Classification No. 11 customers within P.S.C. No. 120, shall reflect the market price of electricity.

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GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

A. Supply Service Options: (cont'd.)

3. Hourly Pricing: This choice is for customers billed at a demand metered rate, which includes non-residential Service Classification Nos. 2, 3, and 7, and demand billed Service Classification No. 11 customers within P.S.C. No. 120. Customers may take service with an ESCO or with NYSEG under this choice.
 - a. For customers taking service with an ESCO, such customers shall be responsible for fixed charges for NYSEG delivery service, a Transition Charge as described in Rule 25.I.B.
 - b. For customers taking service with NYSEG, such customers shall be responsible for fixed charges for NYSEG delivery service, a Transition Charge as described in Rule 25.I.B., a commodity charge for electricity supply that fluctuates hourly with the market price (including losses, unaccounted for energy, capacity and capacity reserve), a Merchant Function Charge ("MFC") as described in Rule 25.I.D.

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

B. Transition Charge

The Transition Charge, as shown on a customer's bill, shall be the sum of the following components. Each component shall identify if the costs are recovered on a volumetric basis or on a demand-billed basis. The Company shall file a Statement for each component with the Public Service Commission.

Components of the Transition Charge:

1. Non-Bypassable Charge ("NBC")

The NBC is a per kWh charge that shall recover specific generation and purchased power-related costs net of credits for the value of generation and purchased power controlled by the Company.

- a) The costs associated with the NBC shall be allocated as described here and collected by all customers taking electric delivery service. Listed below are the costs associated with the NBC which will be collected by service classifications as follows:
 - i. market value of the Company's owned hydro plant output at the generation source;
 - ii. net market value of the purchased power contracts of the NUG and NYPA resources (market value of the purchased power contract costs determined at the generation source less the contract costs);
 - iii. monthly payments received by the Company from NYPA under the Recharge New York Residential Consumer Discount Program (New York Public Authorities Law § 1005(13-b));
 - iv. Any Public Service Commission approved adjustments;
 - v. Any over- or under- collections from reconciliation of the Residential Agricultural Discount, as set forth in Rule 33.2.B, shall be included in a subsequent monthly NBC for the residential customer classes. Application of the Residential Agricultural Discount reconciliation amounts to the NBC shall not cause the NBC to reduce the delivery bill to less than zero.
 - vi. all actual transmission wheeling expenses; certain actual wholesale transmission-related revenues (A \$49.165 million estimate of transmission revenues was included in the delivery revenue requirements calculated in Case No. 19-E-0378. Any difference between the actual amount of transmission revenues and the \$49.165 million embedded in base delivery rates, calculated on a historical monthly average basis, shall be captured in the NBC).
 - vii. Credits provided to customers receiving the Standby Reliability Credit, as set forth in Service Classification 11, Special Provision (f), will be recovered through the NBC.
 - viii. Credits provided to residential customers pursuant to Service Classification No. 8 Special Provision (p)(3) Price Guarantee, shall be recovered through the NBC applicable to S.C. 1, 8, and 12.
 - ix. Effective December 1, 2011, pursuant to the Order in Case 01-E-0011, issued and effective October 26, 2001, the purchased power contract with the new owner of the nuclear generating plant previously co-owned by the Company shall convert to a Revenue Sharing Agreement (RSA).

Any applicable payments received under the RSA for a contract quarter shall be refunded to customers beginning in the calendar month following the month in which the payment is received. Such payments shall be refunded to customers over three consecutive months.

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

B. Transition Charge (cont'd)

Components of the Transition Charge: (cont'd)

1. Non-Bypassable Charge ("NBC") (Cont'd)

- b) The NBC shall be set monthly based on a forecast and subject to a monthly true-up for all components based on the actual after-the-fact costs and load subject to the NBC.
- c) All service classes shall pay the NBC on a volumetric basis; residential customer classes shall also receive the benefits, if any, of NYPA purchased power and monthly payments received by the Company from NYPA under the Recharge New York Residential Consumer Discount Program (New York Public Authorities Law § 1005(13-b)), consistent with any the Company contracts with NYPA for such purchased power and/or monthly payments.
- d) All items collected through the NBC shall be symmetrically reconciled and true-up monthly in a competitively neutral manner. The credits or charges related to the reconciliation shall be included in a subsequent monthly NBC.
- e) Any cost savings resulting from optimization activities associated with NYSEG's grandfathered transmission entitlements and procurement activities for Tier-1 eligible renewable energy certificates ("RECs") as defined in the Commission's August 1, 2016 Order Adopting a Clean Energy Standard issued in Case 15-E-0302 ("CES Order"), will be shared with customers and shareholders on an 80% / 20% basis. The credits related to the Electric Cost Incentive Mechanism ("ECIM") shall be included in a subsequent monthly NBC.

A Non-Bypassable Charge Statement setting forth the NBC shall be filed with the Public Service Commission on not less than one days' notice. Such statement can be found at the end of this Schedule.

2. Value of Distributed Energy Resources ("VDER") Value Stack Credits Statement

The following costs associated with Value Stack and Wholesale Value Stack, as applicable, paid by the Company pursuant to Rule 40.B Value Stack and Rule 40.C.2 Wholesale Value Stack, shall be allocated and collected by service classification as follows:

- a. Capacity Value [Market Value]: allocated to service classes based on how the Company allocates ICAP;
 - i. Costs associated with the Capacity Value [Market Value and Out of Market Value] shall not be recovered from Hourly Pricing customers
- b. Capacity Value [Out of Market Value], Environmental Value [Out of Market Value], and Market Transition Credit: all delivery customers, allocated to service classes based on the composition of subscribers who receive benefits in proportion to the benefits received;
 - i. The Environmental Value [Out of Market Value] shall be recovered through the Transition Charge through December 31, 2024. Beginning January 1, 2025, the full cost of the Environmental Component (Rule 40.B.6.iii), including the Environmental Value [Out of Market Value], shall be recovered through the Supply Adjustment Charge.

Demand Reduction Value (DRV) and Locational System Relief Value (LSRV): all delivery customers on a voltage level basis; allocated to service class by voltage level based on appropriate T&D demand allocators. The DRV and LSRV shall be collected from demand-billed customers on a per-kW basis.

A Value of Distributed Energy Resources Cost Recovery ("VDER-CR") Statement setting forth the VDER rates shall be filed with the Commission on not less one day's notice. Such statement can be found at the end of this Schedule.

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

B. Transition Charge (cont'd.)

Components of the Transition Charge (cont'd.)

3. Distribution Load Relief Program

- a. The costs associated with Rule 34. Distribution Load Relief Program; Rule 35. Commercial System Relief Program; and Rule 36. Direct Load Control Program, shall be allocated as described in those Rules and collected by service classification as follows:
 - i. non-demand billed customers on a per-kWh basis;
 - ii. demand-billed customers on a per-kW basis.

A Dynamic Load Management (“DLM”) Statement setting forth the cost values for the Distribution Load Relief Program, by service classification, shall be updated annually and filed with the Public Service Commission on not less than one days’ notice. Such statement can be found at the end of this Schedule.

4. Rate Adjustment Mechanism (“RAM”)

- a. The cost associated with Rule 38. Rate Adjustment Mechanism, shall be allocated as described in that Rule and collected by service classification as follows:
 - i. non-demand billed customers on a per-kWh basis;
 - ii. demand-billed customers on a per-kW basis.

A Rate Adjustment Mechanism Statement setting forth the RAM rates shall be filed with the Commission on not less 30 days’ notice to be effective July 1. Such statement can be found at the end of this Schedule.

GENERAL INFORMATION

25. Supply Service Options: (cont'd)

I. Supply Service Options (cont'd)

B. Transition Charge (cont'd)

Components of the Transition Charge (cont'd.)

5. Non-Wire Alternatives ("NWA")

The cost associated with Rule 47, Non-Wires Alternatives, shall be allocated as described in that Rule and collected by service classification as follows:

- i. non-demand billed customers on a per-kWh basis;
- ii. demand-billed customers on a per-kW basis.

A Non-Wires Alternatives Statement setting for the NWA rates shall be filed with the Commission on not less than 30 days' notice. Such statement can be found at the end of this Schedule.

6. Earnings Adjustment Mechanism ("EAM")

The cost associated with Rule 46, Earnings Adjustment Mechanism, shall be allocated as described in that Rule and collected by service classification as follows:

- i. non-demand billed customers on a per-kWh basis;
- ii. demand-billed customers on a per-kW basis.

An Earnings Adjustment Mechanism Statement setting for the EAM rates shall be filed with the Commission on not less than 30 days' notice. Such statement can be found at the end of this Schedule.

7. Electric Vehicle ("EV") Make Ready Surcharge

The cost associated with Rule 49, Electric Vehicle ("EV") Make Ready Surcharge, shall be allocated as described in that Rule and collected by service classification as follows:

- i. non-demand billed customers on a per-kWh basis;
- ii. demand-billed customers on a per-kW basis.

An EV Make Ready ("EVMR") Statement setting for the rates shall be filed with the Commission on not less than 15 days' notice. Such statement can be found at the end of this Schedule.

8. Energy Storage Deployment Cost Recovery

The cost associated with Rule 44, Energy Storage Deployment Cost Recovery, shall be allocated as described in that Rule and collected by service classification as follows:

- i. non-demand billed customers on a per-kWh basis;
- ii. demand-billed customers on a per-kW basis;
- iii. Standby customers on an As-Used demand basis.

An Energy Storage Deployment Cost Recovery Statement setting for the rates shall be filed with the Commission on not less than 30 days' notice. Such statement can be found at the end of this Schedule.

9. Late Payment Charge and Other Waived Fees ("LPCO") Surcharge

The cost associated with Rule 51, Late Payment Charge and Other Waived Fees ("LPCO") Surcharge, shall be allocated as described in that Rule and collected by service classifications as follows:

- i. non-demand billed customers on a per-kWh basis;
- ii. demand-billed customers on a per-kW basis.
- iii. Standby on an As-Used demand basis.

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GENERAL INFORMATION

25. Supply Service Options: (cont'd)

I. Supply Service Options (cont'd)

B. Transition Charge (cont'd) Components of the Transition Charge (cont'd)

9. Late Payment Charge and Other Waived Fees ("OTH") Surcharge (cont'd)

A Statement of Other Charges and Adjustments ("OTH") setting forth the OTH Surcharge rates shall be filed with the Commission on not less than three (3) days' prior to the effective date. Such statement can be found at the end of this Schedule.

All components collected through the Transition Charge shall be symmetrically reconciled and trued-up in a competitively neutral manner. The credits or charges related to the reconciliation shall be included in a subsequent monthly NBC.

GENERAL INFORMATION

25. Supply Service Options: (cont'd)

I. Supply Service Options (cont'd)

C. Calculation of the Commodity Charge

1. S.C. Nos. 1, 5, 6, 9, 11 (Non-Demand), and P.S.C. No. 121 (Street Lighting)

The charge for Electric Power Supply provided by NYSEG shall fluctuate with the market price of electricity and shall include the following components; Energy, Energy Losses, Unaccounted For Energy ("UFE"), Capacity, Capacity Reserves, Capacity Losses, Ancillary Services/NTAC, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, Hedge Adjustment and Supply Adjustment Charge. The methodology for calculating the Energy and Capacity components of the charge for Electric Power Supply is as follows:

Energy Component: For each day of the customer's billing cycle, a daily average value of market supply is derived from forward trading market prices of electricity for the region (East or West of the NYISO Total East Interface) in which the Customer is located and previous true-ups, weighted to reflect hourly usage based on service classification load profiles for the calendar month and day-type (Weekday, Saturday or Sunday/Holiday). Separate calculations shall be made for each metered time period for the Customer's individual Service Classification.

The daily load weighted market price of energy shall be adjusted to reflect losses. These daily average market supply values are used in conjunction with the service classification profile to develop a weighted average value of market supply for each metered time period within the Customer's specific billing period. The weighted average of market supply is multiplied by the Customer's metered kWh usage for each metered time period to determine the value of market supply.

Capacity Component: The Capacity component is calculated using the market-clearing price of capacity converted to \$/kWh as determined from the NYISO's monthly and spot capacity auctions for the capacity zone in which the customer is located. The capacity price shall also include capacity losses and reserves. The service class profile shall be used to determine the customer's capacity responsibility of state-wide system peak demand. A new capacity responsibility amount shall be effective each May 1st. The service class profile contribution to the system peak demand may need to be adjusted for a growth factor.

Capacity Charge = UCAP Charge + Demand Curve Reserve Charge

UCAP Charge = (UCAPreq * (1 + Reservereq)* Pricemonthlyauc)

UCAPreq = The demand for the customer's service class that occurred at the time of the New York system peak of the prior year, grossed up for losses and a growth factor.

Reservereq = Additional reserve requirement as required by NYISO.

Pricemonthlyauc = Monthly NYISO auction price.

Demand Curve Reserve Charge = (UCAPreq * DemandCurveReservereq)* Pricespotauc)

UCAPreq = Described above.

DemandCurveReservereq = Allocation of additional capacity requirement as required by the NYISO's demand curve.

Pricespotauc = Monthly NYISO SPOT auction price.

Ancillary Services/NYPA Transmission Adjustment Charge (NTAC) Component: The ancillary services/NTAC shall be forecasted each month and included in the supply price and subsequently reconciled.

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

C. Calculation of the Commodity Charge (cont'd.)

1. S.C. Nos. 1, 5, 6, 9, 11 (Non-Demand), and PSC No. 121 (Street Lighting) (cont'd)

NYISO Related Transmission Charges: Transmission project costs allocated to the Company under the NYISO tariff as approved by FERC.

Hedge Adjustment: The hedge adjustment shall pass through to customers the impact of any hedge position entered into on behalf of such customers.

Supply Adjustment Charge Component: Unaccounted For Energy, Renewable Energy Credits (RECs) and Zero Emission Credits (ZECs) costs and if applicable, Alternative Compliance Payment (ACP), Offshore Wind Renewable Energy Credits (ORECs), costs the Company has paid for the Value Stack Energy Component not reflected in the price for the Energy Component and the Market Value of the Environmental component of the Value Stack pursuant to Rule 40.B., costs billed to the Company by NYSERDA for the bulk energy storage program, and all costs incurred related to supply shall be reconciled and recovered or refunded through a subsequent Supply Adjustment Charge incorporated in the supply charge.

Beginning January 1, 2025, the full cost of the Environmental Component (Rule 40.B.6.iii), including the Out of Market Value, shall be included in the Supply Adjustment Charge.

2. Non-Hourly Pricing S.C. Nos. 2, 3, 7, 8, 11 (Demand), and 12

The charge for Electric Power Supply provided by the Company shall fluctuate with the market price of electricity and shall include the following components: Energy, Energy Losses, Unaccounted for Energy ("UFE"), Capacity, Capacity Reserves, Capacity Losses, Ancillary Services/NTAC, and a Supply Adjustment Charge. The methodology for calculating the Energy and Capacity components of the charge for Electric Power Supply is as follows:

Energy Component: For each day of the customer's billing cycle, a daily average value of market supply is derived from the day ahead NYISO posted Locational Based Marginal Prices (LBMP) of electricity for the region (East or West of the NYISO Total East Interface) in which the Customer is located, weighted to reflect hourly usage based on service classification load profiles for the calendar month and day-type (Weekday, Saturday or Sunday/Holiday). Separate calculations shall be made for each metered time period for the Customer's individual Service Classification. LBMP in Zone C shall be used for customers electrically connected West of the Total East NYISO Interface. LBMP in Zone G shall be used for customers electrically connected East of the NYISO Total East Interface.

The daily load weighted market price of energy shall be adjusted to reflect losses and Unaccounted For Energy. These daily average market supply values are used in conjunction with the service classification profile to develop a weighted average value of market supply for each metered time period within the Customer's specific billing period. The weighted average value of market supply is multiplied by the Customer's metered kWh usage for each metered time period to determine the value of market supply.

Capacity Component: The Capacity component is calculated using the market-clearing price of capacity converted to \$/kWh as determined from the NYISO's monthly and spot capacity auctions. The Capacity Component shall be revised in accordance with each monthly UCAP auction held by the NYISO. The capacity price shall also include capacity losses and reserves based on the NYISO monthly and spot capacity auctions. The service class profile shall be used to determine the customer's capacity responsibility of state-wide system peak demand. A new capacity responsibility amount shall be effective each May 1st. The service class profile contribution to the system peak demand may need to be adjusted for a growth factor. The cost of the capacity component shall be applied to On-Peak hours only.

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

C. Calculation of the Commodity Charge (cont'd.)

2. Non-Hourly Pricing S.C. Nos. 2, 3, 7, 8, 11 (Demand), and 12 (Cont'd)

Capacity Component (Cont'd)

Capacity Charge = UCAP Charge + Demand Curve Reserve Charge

UCAP Charge = (UCAPreq * (1 + Reservereq) * Pricemonthlyauc)

UCAPreq = The demand for the customer's service class that occurred at the time of the New York system peak of the prior year, grossed up for losses and a growth factor.

Reservereq = Additional reserve requirement as required by NYISO.

Pricemonthlyauc = Monthly NYISO auction price.

Demand Curve Reserve Charge = (UCAPreq * DemandCurveReservereq) * Pricespotauc)

UCAPreq = Described above.

DemandCurveReservereq = Allocation of additional capacity requirement as required by the NYISO's demand curve.

Pricespotauc = Monthly NYISO SPOT auction price.

Ancillary Services/NYPA Transmission Adjustment Charge (NTAC) Component: The ancillary services/NTAC shall be forecasted each month and included in the supply price and subsequently reconciled.

NYISO Related Transmission Charges:

Transmission project costs allocated to the Company under the NYISO tariff as approved by FERC.

Supply Adjustment Charge Component: Unaccounted For Energy, Renewable Energy Credits (RECs), Zero Emission Credits (ZECs) costs if applicable, Alternative Compliance Payment (ACP), Offshore Wind Renewable Energy Credits (ORECs), costs the Company has paid for the Value Stack Energy Component not reflected in the price for the Energy Component and the Market Value of the Environmental component of the Value Stack pursuant to Rule 40.B., costs billed to the Company by NYSEDA for the bulk energy storage program, and all costs incurred related to supply shall be reconciled and recovered or refunded through a subsequent Supply Adjustment Charge incorporated in the supply charge.

Beginning January 1, 2025, the full cost of the Environmental Component (Rule 40.B.6.iii), including the Out of Market Value, shall be included in the Supply Adjustment Charge.

3. Hourly Pricing S.C. Nos. 2, 3, 7, and 11 (Demand)

Energy Component

Customers served under these provisions shall be charged for the energy component of supply based on their hourly metered usage and the hourly supply cost. The electricity supply charge is equal to the sum of the hourly metered usage multiplied by the New York Independent System Operator (NYISO) Day-Ahead Market (DAM) Location Based Marginal Price (LBMP) for the Zone in which the customer is electrically connected, adjusted for system losses as set forth in the table herein, ancillary services, NTAC, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, and Supply Adjustment Charge. Capacity charges shall also be based on interval meter data. The DAM LBMP prices shall be the initial published DAM LBMP prices acquired by the Company. The customer's bill shall not be recalculated if such prices are modified by the NYISO at a later date.

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

C. Calculation of the Commodity Charge (cont'd.)

3. Hourly Pricing S.C. Nos. 2, 3, 7, and 11 (Demand) (Cont'd)

Distribution loss factor:

Voltage Level	Service Classification	Energy Loss Factor
Transmission	7-4	1.0000
Subtransmission	3S; 7-3	1.0150
Primary	3P; 7-2	1.0377
Secondary	2; 7-1	1.0728

Capacity Component

The capacity and capacity reserves are specific to the customer. When hourly data is not available the appropriate service class profile shall be used to determine the customer's capacity responsibility. A new capacity responsibility amount shall be established for each customer each April. Customers new to Hourly Pricing that begin the service prior to April shall be assigned their capacity responsibility based on their service class profile until the first April where the required hourly data is available.

Capacity Charge = UCAP Charge + Demand Curve Reserve Charge

UCAP Charge = $((UCAP_{req} * L_c) * (1 + Reserve_{req}) * Price_{monthlyauc})$

$UCAP_{req}$ = The customer specific demand that occurred at the time of the New York system peak of the prior year. When the customer specific information is not available the appropriate service class profile information shall be used.

L_c = Capacity Loss factor:

Voltage Level	Service Classification	Capacity Loss Factor
Transmission	7-4	1.0000
Subtransmission	3S; 7-3	1.0200
Primary	3P; 7-2	1.0480
Secondary	2; 7-1	1.0738

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

C. Calculation of the Commodity Charge (cont'd.)

3. Hourly Pricing S.C. Nos. 2, 3, 7, and 11 (Demand) (Cont'd)

$Reserve_{req}$ = Additional reserve requirement as required by NYISO.

$Price_{monthlyauc}$ = Monthly NYISO auction price.

Demand Curve Reserve Charge = $((UCAP_{req} * L_c) * DemandCurveReserve_{req}) * Price_{spotauc}$

$UCAP_{req}$ = Described above.

L_c = See above.

$DemandCurveReserve_{req}$ = Allocation of additional capacity requirement as required by the NYISO's demand curve.

$Price_{spotauc}$ = Monthly NYISO auction price.

Ancillary Services/NYPA Transmission Adjustment Charge (NTAC) Component: The ancillary services/NTAC shall be forecasted each month and included in the supply price and subsequently reconciled.

NYISO Related Transmission Charges:

Transmission project costs allocated to the Company under the NYISO tariff as approved by FERC.

Supply Adjustment Charge Component:

Unaccounted For Energy, Renewable Energy Credits (RECs), Zero Emissions Credits (ZECs), and if applicable, Alternative Compliance Payment (ACP), Offshore Wind Renewable Energy Credits (ORECs), costs the Company has paid for the Value Stack Energy Component not reflected in the price for the Energy Component and the Market Value of the Environmental component of the Value Stack pursuant to Rule 40.B., costs billed to the Company by NYSERDA for the bulk energy storage program, and all costs incurred related to supply shall be reconciled and recovered or refunded through a subsequent Supply Adjustment Charge incorporated in the supply charge.

Beginning January 1, 2025, the full cost of the Environmental Component (Rule 40.B.6.iii), including the Out of Market Value, shall be included in the Supply Adjustment Charge.

D. Merchant Function Charge (MFC):

The MFC shall be applicable to only those customers taking supply service from the Company (*i.e.*, NSS and Hourly Pricing) and is set forth in a statement at the end of this Schedule (P.S.C. No. 120 – Electricity). A separate MFC shall be calculated for Non-demand billed (hedged), (S.C. Nos. 1, 5, 6, 9, and street lighting), Non-demand billed (non-hedged), (S.C. Nos. 8 and 12), and Demand billed (S.C. Nos. 2, 3, 7, 11, 13, and 14) customers. For Service Classification Nos. 11, 13, and 14, the customer's otherwise applicable service classification shall determine the applicable MFC.

1) The MFC shall include the following rate components as described in the Joint Proposal dated July 14, 2010 in Case Nos. 09-E-0715, 09-G-0716, 09-E-0717, and 09-G-0718, and as further amended by the Joint Proposal dated February 19, 2016, in Cases 15-E-0283, 15-G-0284, 15-E-0285, and 15-G-0286.

- a) Commodity-related Uncollectible Costs
- b) Commodity-related Credit and Collections and Call Center costs;
- c) Commodity-related Administrative costs;
- d) Cash Working Capital on Purchased Power costs and
- e) Cash Working Capital on Commodity Hedge Margin costs.
- f) Prior Period Reconciliation

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

D. Merchant Function Charge (MFC): (cont'd.)

2.) The MFC components shall be updated and reconciled as stated below in accordance with the Joint Proposal dated July 14, 2010 in Case Nos. 09-E-0715, 09-G-0716, 09-E-0717, and 09-G-0718, and as further amended by the Joint Proposal dated February 19, 2016, in Cases 15-E-0283, 15-G-0284, 15-E-0285, and 15-G-0286.

a) Commodity-related Uncollectible Costs

- The commodity related uncollectible percentage rate shall be reset annually based on the most recent available 12-month period of actual uncollectibles
- The commodity-related uncollectible component of the MFC shall be calculated each month by multiplying the uncollectible percentage rate for each of the groups described above by the associated monthly electric supply cost.

b) Commodity-related Credit and Collections and Call Center costs

- The Credit and Collections and Call Center costs Component shall be reconciled annually for differences in actual versus design sales only. The unit rate shall be reset annually based on recent MFC and POR sales forecasts.

c) Commodity-related Administrative costs

- The Administrative Component shall be reconciled annually for differences in actual versus design sales only. The unit rate shall be reset annually based on recent sales forecasts.

d) Cash Working Capital on Purchased Power costs

- If the New York Independent System Operator starts weekly billing, the electric MFC shall include a component for Cash Working Capital on Purchase Power.
- Working Capital on Purchase Power shall be calculated based on the Companies' pre-tax rate of return.
- The Companies shall reconcile the Working Capital on Purchased Power to actual applicable costs. This component shall be updated annually to reflect actual costs from the most recently available 12-month period and the most recent sales forecast.

e) Cash Working Capital on Commodity Hedge Margin costs

- The cash working capital on Commodity Hedge cost component shall be based on the Companies' pre-tax rate of return and shall be reconciled to actual costs annually. Additionally, this component shall be updated annually to reflect actual costs from the most recently available 12-month period and the most recent sales forecast.

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E. Reserved for Future Use

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25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

F. Customer Eligibility Exceptions:

1. Customers Applying for Service:

If a customer applying for Service has not elected a Supply Service option by the time of billing, the Company shall bill the customer at the appropriate default option as explained in Section 25.I.H. When a customer contacts the Company with their choice, that Supply Service option shall be applicable to usage on and after the next regularly-scheduled estimated or actual meter reading date after such contact.

2. Incentive Rate Customers:

Customers receiving an Economic Incentive may select a Supply Service option, as specified in the applicable Special Provision for Economic Incentives of the respective service classifications. The customer must choose the same Supply Service option for their entire load.

3. NYPA Customers

Customers who receive a portion of their Electric Power Supply from NYPA, (Expansion, HLFM, Replacement or Preservation Power, Recharge NY Power, WNY), with Standard Load (non-NYPA load), shall be permitted to take service under any Supply Service option for their Standard Load. The NYPA load shall continue to be billed in accordance with General Information Section 11 or the Special Provision of Service Classification No. 7. If the NYPA allocation expires or is terminated, the Supply Service option for that load shall be the same option the customer selected for the Standard Load (non-NYPA load).

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

F. Customer Eligibility Criteria: (cont'd.)

4. Service Classification No. 11 ("S.C. No. 11")

A customer taking service under S.C. No. 11 is eligible to select a Supply Service option as follows:

- a. "OASC": A customer taking service under S.C. No. 11 as an Existing Customer having elected the Phase-In, or as a Designated Technology Customer having elected the one-time exemption, both as defined in S.C. No. 11, shall be billed at otherwise applicable service classification ("OASC") rate. Such customers are eligible for: 1) the NYSEG Supply Service (NSS), unless the customer is required to participate in mandatory Hourly Pricing or voluntarily elects Hourly Pricing, or 2) the ESCO Supply Service (ESS).
- b. S.C. No. 11: A customer taking service under SC 11, shall be billed at the SC 11 rates set forth under the section "RATES". Such customers are eligible for: 1) the NYSEG Supply Service (NSS), unless the customer is required to participate in mandatory Hourly Pricing or voluntarily elects Hourly Pricing, or 2) the ESCO Supply Service (ESS).

5. Service Classification Nos. 13 or 14 ("S.C. No. 13" or "S.C. No. 14") Contracts

A customer taking service under S.C. Nos. 13 or 14 whose contract expires during the Enrollment Period is eligible for a Supply Service option as described in Section 25.I.A.

A customer taking service under S.C. Nos. 13 or 14 whose contract expires on or after January 1, 2008, may select a Supply Service option, upon expiration of their contract, subject to the rules specified in Section 25.I.I.5, S.C. No. 13 or S.C. No. 14 Contracts Expiring. A customer receiving service under such S.C. No. 13 or S.C. No. 14 contract shall not be eligible to select a Supply Service option during the term of the contract, unless the contract so provides.

6. Hourly Pricing

Hourly Pricing is mandatory for certain non-residential demand billed customers in Service Classification Nos. 2, 3, and 7, and demand billed Service Classification No. 11. A customer billed at an Hourly Pricing rate is eligible to select a Supply Service option as defined in Rule 25.I.A.3:

Customers that received an Economic Incentive or NYPA allocation on or before December 31, 2006 are exempt from mandatory Hourly Pricing.

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GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

G. Reserved for Future Use

H. Default Process:

If a customer applying for service has not elected a Supply Service option, the Company shall bill the customer under the Company Supply Service option or Hourly Pricing, as appropriate.

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.16
Revision: 3
Superseding Revision: 2

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

H. Reserved for Future Use

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

I. Changing Supply Service Options

- 1. A customer can switch to and from retail access at any time subject to the requirements set forth in General Information Section 16 – Customer Advantage Program – General Retail Access and the Uniform Business Practices, and as detailed below:**

- a) ESCO Supply Service (ESS)**

- A customer taking service under the ESS may switch to the NYSEG Supply Service (NSS).

- NYSEG Supply Service (NSS)**

- A customer taking service under the NSS may switch to the ESCO Supply Service (ESS).

- b) Hourly Pricing**

- A customer mandatorily participating in Hourly Pricing, who is taking service under the ESS, may switch only to the NYSEG Day-Ahead Market Pricing Option.

- A customer mandatorily participating in Hourly Pricing, who is taking service under the NYSEG Day-Ahead Market Pricing Option, may switch only to ESS.

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

I. Changing Supply Service Options (cont'd.)

2. Process for Changing to a Retail Access Supply Service Option

To effectuate the switch to retail access, the customer's ESCO must contact NYSEG to submit the customer's Retail Access enrollment information. Upon NYSEG's receipt of notice that the customer is enrolling in Retail Access, NYSEG will notify the customer of such enrollment by sending the customer a letter.

3. Process for Changing to a Non-Retail Access Supply Service Option

A customer that is changing from a retail access option to a non-retail access option may do so by first contacting its ESCO to discontinue Retail Access service. (Alternatively, a customer may contact NYSEG directly with its request.)

Upon NYSEG's receipt of notice from the ESCO that the customer is canceling Retail Access, NYSEG will notify the customer of such cancellation by sending the customer a letter.

4. ESCO Discontinuance of Sales to Individual Customer:

If an ESCO cancels a customer's Retail Access service, such ESCO must follow the procedures set forth in the UBP Addendum to this Schedule. Upon receipt of the notice of discontinuance from the ESCO, NYSEG will verify this request with the customer by sending a letter to the customer.

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

I. Supply Service Options (cont'd.)

I. Changing Supply Service Options (cont'd.)

5. SC 13 or SC 14 Contracts Expiring

Customers required to take mandatory Hourly Pricing:

A customer taking service under SC 13 or 14, who would otherwise qualify for mandatory Hourly Pricing, will be billed at Hourly Pricing rates upon expiration of their SC 13 or 14 contract, unless a retail access enrollment is received from an ESCO at least 15 calendar days prior to the contract end date. If such retail access enrollment has been received, the customer will be billed at the ESCO Supply Service (ESS) option effective with the contract end date meter reading.

Customers not required to take Hourly Pricing:

If the customer is not required to be served at Hourly Pricing, upon expiration of their SC13 or 14 contract, the customer would be eligible to select a Supply Service Option described in Section 25.I.A. If the customer does not enroll in a Supply Service Option, and no retail access enrollment has been received from an ESCO at least 15 calendar days prior to the contract end date, the customer will be billed at the NYSEG Supply Service (NSS) option effective with the contract end date meter reading.

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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Leaf No. 117.20
Revision: 3
Superseding Revision: 2

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.21
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.22
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.23
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.24
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.25
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.26
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.27
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.28
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.29
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2010

Leaf No. 117.30
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

25. Supply Service Options: (cont'd.)

II. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.31

New York State Electric and Gas Corporation

Revision: 14

Initial Effective Date: November 1, 2023

Superseding Revision: 13

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

26. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.31.1

New York State Electric and Gas Corporation

Revision: 1

Initial Effective Date: November 1, 2023

Superseding Revision: 0

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

26. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 117.32

New York State Electric and Gas Corporation

Revision: 17

Initial Effective Date: November 1, 2023

Superseding Revision: 16

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GENERAL INFORMATION

26. Reserved for Future Use

ISSUED BY: Jeremy J. Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 117.32.1

New York State Electric and Gas Corporation

Revision: 4

Initial Effective Date: November 1, 2023

Superseding Revision: 3

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GENERAL INFORMATION

27. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 117.33

New York State Electric and Gas Corporation

Revision: 11

Initial Effective Date: November 1, 2023

Superseding Revision: 10

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

27. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 117.33.1

New York State Electric and Gas Corporation

Revision: 12

Initial Effective Date: November 1, 2023

Superseding Revision: 11

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

27. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Initial Effective Date: November 1, 2023

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Leaf No. 117.33.1.1

Revision: 3

Superseding Revision: 2

GENERAL INFORMATION

27. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.33.2

New York State Electric and Gas Corporation

Revision: 11

Initial Effective Date: November 1, 2023

Superseding Revision: 10

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GENERAL INFORMATION

27. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.33.3

New York State Electric and Gas Corporation

Revision: 6

Initial Effective Date: November 1, 2023

Superseding Revision: 5

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GENERAL INFORMATION

27. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: January 17, 2018
Issued in compliance with Order in Case No. 09-M-0311, dated 12/19/17.

Leaf No. 117.34
Revision: 3
Superseding Revision: 2

GENERAL INFORMATION

28. Reserved for Future Use

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Rochester, New York

PSC No: 120 - Electricity

Leaf No. 117.35

New York State Electric and Gas Corporation

Revision: 13

Initial Effective Date: November 19, 2023

Superseding Revision: 12

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

29. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: November 1, 2023
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Leaf No. 117.35.1
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

29. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.36

New York State Electric and Gas Corporation

Revision: 4

Initial Effective Date: November 1, 2023

Superseding Revision: 3

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

29. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 117.37

New York State Electric and Gas Corporation

Revision: 13

Initial Effective Date: November 1, 2023

Superseding Revision: 12

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

30. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: November 1, 2023
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Leaf No. 117.37.1
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

30. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.38

New York State Electric and Gas Corporation

Revision: 19

Initial Effective Date: November 1, 2023

Superseding Revision: 18

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

30. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: November 1, 2023
Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

Leaf No. 117.38.1
Revision: 6
Superseding Revision: 5

GENERAL INFORMATION

30. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.39

New York State Electric and Gas Corporation

Revision: 14

Initial Effective Date: November 1, 2023

Superseding Revision: 13

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

30. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 117.39.0

New York State Electric and Gas Corporation

Revision: 1

Initial Effective Date: September 21, 2015

Superseding Revision: 0

Issued in compliance with Order in Case Nos. 14-E-0422 and 14-E-0151 dated April 17, 2015

GENERAL INFORMATION

Reserved for Future Use

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 117.39.1

New York State Electric and Gas Corporation

Revision: 11

Initial Effective Date: November 1, 2023

Superseding Revision: 10

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

30. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.39.2

New York State Electric and Gas Corporation

Revision: 8

Initial Effective Date: November 1, 2023

Superseding Revision: 7

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GENERAL INFORMATION

30. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.40

New York State Electric and Gas Corporation

Revision: 11

Initial Effective Date: November 1, 2023

Superseding Revision: 10

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GENERAL INFORMATION

31. Reserved for Future Use

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: November 1, 2023
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Leaf No. 117.40.1
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

31. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.41

New York State Electric and Gas Corporation

Revision: 18

Initial Effective Date: November 1, 2023

Superseding Revision: 17

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GENERAL INFORMATION

31. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 117.42

New York State Electric and Gas Corporation

Revision: 14

Initial Effective Date: November 1, 2023

Superseding Revision: 13

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GENERAL INFORMATION

31. Reserved for Future Use

PSC No: 120 - Electricity

Leaf No. 117.42.1

New York State Electric and Gas Corporation

Revision: 9

Initial Effective Date: November 1, 2023

Superseding Revision: 8

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GENERAL INFORMATION

31. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 117.42.1.1

New York State Electric and Gas Corporation

Revision: 6

Initial Effective Date: November 1, 2023

Superseding Revision: 5

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

31. Reserved for Future Use

ISSUED BY: Jeremy Euto, Vice President – Regulatory, Binghamton, New York

PSC No: 120 - Electricity

Leaf No. 117.42.1.2

New York State Electric and Gas Corporation

Revision: 6

Initial Effective Date: November 1, 2023

Superseding Revision: 5

Issued in compliance with Order in Case No. 22-E-0317, dated October 12, 2023.

GENERAL INFORMATION

31. Reserved for Future Use

GENERAL INFORMATION

32. Excelsior Jobs Program

PURPOSE:

This service is provided in cooperation with the New York State Empire State Development (“ESD”), pursuant to Article 17 of the Economic Development Law, to assist in job creation and financial investment in targeted industries such as biotechnology, pharmaceutical, high-tech, clean-technology, green technology, financial services, agriculture and manufacturing throughout the Company's service territory.

A. ELIGIBILITY CRITERIA:

- 1) A customer must be approved by the local ESD and the Company must be notified by ESD that the customer has entered into a formal agreement with ESD.
- 2) A customer must qualify for service under and in accordance with the provisions of Service Classification Nos. 2, 3, 6, 7, and 9.
- 3) A customer must receive an annual certification of tax credit from ESD verifying that they have satisfied the eligibility criteria and must also satisfy any usage thresholds for additional load as set forth below. The customer shall receive the Excelsior incentive for one year each year that they are issued a certification from ESD. In the event that a 12-month period has ended but the Company has not yet received notification from ESD regarding the next year's certification the customers benefits shall continue until either an additional three months have passed or the Company receives notification that the customer shall not be issued a tax certificate for the year
- 4) A customer who increases their demand or energy usage by 25% on a monthly basis above their baseload shall be eligible to receive the appropriate Excelsior Jobs Program rates. A customer with a baseload of zero shall receive the appropriate Excelsior Jobs Program rates on their entire load. A customer who achieves the % increase above their baseload shall receive the appropriate Excelsior rates on all of the load above the baseload.

B. TERM:

A qualified customer shall be eligible to receive the Excelsior Jobs Program delivery rates for no more than 10 years from the initial certification from ESD or until a customer's Excelsior certification becomes invalid.

If a customer's Excelsior certification becomes invalid, the customer shall not receive Excelsior Jobs Program delivery rates until the Company is notified by ESD that the customer has been recertified.

C. BILLING AND PROGRAM BENEFITS

The Company shall calculate bills for service supplied under the Excelsior Jobs Program rates in accordance with the applicable Special Provision under Service Classification Nos. 2, 3, 6, 7, or 9.

In addition to the Excelsior Jobs Program delivery rates, qualifying load shall be exempt from the Non-Bypassable Charge and EV Make-Ready Surcharge components of the Transition Charge and the Revenue Decoupling Mechanism (RDM) adjustment. For certain adjustments approved by the Commission, a separate credit shall be calculated and placed on the customer's bill.

The customer's bills shall be calculated with the Excelsior Jobs Program rates for the qualifying load beginning with the usage billed with the first full bill after the Company receives notification that the customer has received a certificate of tax credit and end no later than 15 months after receipt of the most recent certificate of tax credit notification.

GENERAL INFORMATION

32. **Excelsior Jobs Program (Cont'd)**

D. INCREASE IN RATES AND CHARGES

The rates and charges under this rider, including any adjustments, are increased by the applicable effective aggregate percentage shown in General Information Section 6 for service supplied the municipality where the customer is taking service.

E. SUPPLY SERVICE OPTIONS:

Excelsior Jobs Program customers may select one of the following electricity supply pricing options: ESCO Supply Service (ESS) or NYSEG Supply Service (NSS) as further described in the otherwise applicable service classification.

The Excelsior Jobs Program customer must choose the same Supply Service Option for its incentive load, non-incentive load, and all future Excelsior load at the facility.

F. OTHER

A qualified customer will pay a monthly service bill at the rates and charges under this rate for all kW or kWh in excess of a base amount of kW or kWh established for each monthly billing period.

- a. For an existing customer, the base amount of kW or kWh will be determined by the Company using an annual historical period. The customer may request an adjustment to the base amount if the customer has installed energy conservation measures pursuant to an energy efficiency program approved by the Commission.
- b. For a prospective customer, the base amount of kW or kWh will be zero.

If it is determined that the bill calculated under this provision exceeds the bill calculated under the otherwise applicable standard Service Classification rates, the customer will pay the lower of the two bills.

If the customer is receiving Empire Zone or Economic Development Zone discounts, such customer agrees to forfeit any prospective discounts received under the Empire Zone or Economic Development Zone program at any location or locations that qualify for Excelsior Jobs Program discounts as of the date the customer begins to receive Excelsior Jobs Program discounts.

GENERAL INFORMATION

33. Residential Agricultural Discount ("RAD")

A. Applicability:

1. The RAD is applicable to an agricultural customer who takes electric service pursuant to a residential service classification, S.C. Nos. 1, 8, or 12 of this Schedule. The RAD will begin on September 1 and continue through August 31 of the following year ("Program Year"). Customers shall provide the documentation as described in Section 33.A.2 by July 1 of each year.
2. A customer must complete an application and provide the Company with a copy of their appropriate Internal Revenue Form filed with their most recent filed Federal Tax Return, which indicates that they are agricultural producers.

For customers that file a Form 1040, U.S. Individual Income Tax Return a copy of Internal Revenue Form - Schedule F-Profit or Loss for Farming is required to be submitted with a completed application.

For customers that file a Form 1120, 1120S, or 1065, U.S. Income Tax Return a copy of the form is required to be submitted with a completed application. The Business Activity indicated on the form must be one of the Business Activity codes listed below:

Agriculture, Forestry, Fishing and Hunting

Crop Production

- 111100 - Oilseed & Grain Farming
- 111210 - Vegetable & Melon Farming (including potatoes & yams)
- 111300 - Fruit & Tree Nut Farming
- 111400 - Greenhouse, Nursery, & Floriculture Production
- 111900 - Other Crop Farming (including tobacco, cotton, sugarcane, hay, peanut, sugar beet & all other crop farming)

Animal Production

- 112111 - Beef Cattle Ranching & Farming
- 112112 - Cattle Feedlots
- 112120 - Dairy Cattle & Milk Production
- 112210 - Hog & Pig Farming
- 112300 - Poultry & Egg Production
- 112400 - Sheep & Goat Farming
- 112510 - Aquaculture (including shellfish & finfish farms & hatcheries)
- 112900 - Other Animal Production

Forestry and Logging

- 113110 - Timber Tract Operations
- 113210 - Forest Nurseries & Gathering of Forest Products
- 113310 - Logging

Fishing, Hunting and Trapping

- 114110 - Fishing
- 114210 - Hunting & Trapping

GENERAL INFORMATION

33. Residential Agricultural Discount ("RAD") (Cont'd)

A. Applicability (Cont'd):

- a. The RAD shall be applied to qualified customers' bills no later than three billing cycles from when the Company receives the completed application and copy of the appropriate federal tax form.
- b. A customer must reapply by July 1 of each year by providing their current federal tax forms as filed with their Federal Tax Return for the current tax year. The customer shall be qualified to receive credits for the Program Year.
- c. If the above documentation is not received by July 1, the customer shall forego their RAD credit until the proper documentation is provided to the Company. The customer shall be qualified to receive credits for the remaining period of the Program Year.

B. Calculation of the RAD:

1. The RAD shall be calculated monthly based on the monthly forecast sales of each customer who has qualified for and is scheduled to receive a credit.
2. The RAD shall be subject to a monthly reconciliation for any over/under credits. Any over/under credits as a result of the reconciliation shall be added to or subtracted from the Transition Charge as set forth in Rule 25.1.B.1(iii).
3. The monthly RAD credit provided to customers shall be the RAD multiplied by the customer's billed kilowatt hours and shall not exceed the net total monthly electric delivery bill for each customer.
 - a. If the customer is participating in net metering as established in PSL Section 66-j or PSL Section 66-l, and set forth in this Schedule, the RAD credit shall be applied to any electricity supplied by the Company that exceeds the generation supplied by the customer.
 - i. If a residential farm customer is eligible for Remote Net Metering, and the Host Account generates more energy than the Company supplies, the RAD credit shall be included in the calculation to value the excess generation.

C. Filings

A Residential Agricultural Discount (RAD) Statement setting forth the rate shall be filed with the Public Service Commission on not less than three (3) days' notice. Such statement can be found at the end of this Schedule (PSC 120 – Electricity).

34. Distribution Load Relief Program

A. Applicability

All customers taking service under Service Classification Nos. 1, 2, 3, 6, 7, 8, 9, 11, and 12, whether receiving electricity supply from the Company or an ESCO, including any NYPA Customer; and to any Aggregator that meets the requirements of this Program.

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

B. Contracting for Distribution Load Relief Program Service

There are two options under this Program under which a Direct Participant or Aggregator may contract to provide Load Relief during Load Relief Periods designated by the Company: the Voluntary Participation Option and the Reservation Payment Option. This program is applicable to Direct Participants and Aggregators who agree in writing to provide, either on a Voluntary Participation or Reservation Payment Option, Load Relief in a Company Designated Area, when the Company designates a Contingency or Immediate Event during a Capability Period.

A Direct Participant must contract to provide at least 50 kW of Load Relief. An Aggregator must contract to provide at least 50 kW of Load Relief.

If other requirements for service under this Program are met, Electric Generating Equipment may be used to participate under this Program subject to the provisions set forth in Section D below. The participating Direct Participant or Aggregator is responsible for determining that the operation of generating equipment under this Program shall be in conformance with any governmental limitations on operation.

C. Definitions

The following terms are defined for purposes of this Program only:

Aggregator: A party other than the Company that represents and aggregates the load of Customers who collectively have a Load Relief potential of 50 kW or greater in a Company Designated Area and is responsible for the actions of the Customers it represents, including performance and, as applicable, repayments to the Company.

Capability Period: The period during which the Company can request Load Relief. The Capability Period shall be from May 1 through September 30.

CBL: Customer baseline load as calculated under the Company's Customer Baseline Load methodology, using either the weather-sensitive adjustment option (the "weather adjusted CBL") or the average-day CBL. The Customer Baseline Load methodology shall be described in the Company's baseline operating procedure, which shall be published on the Company's website.

CBL Verification Methodology: The methodology used by the Company to verify the actual Load Relief provided (kW and kWh) during each hour of each designated Load Relief Period and Test. Actual load levels are compared to the customer baseline loads to verify whether the Direct Participant or Aggregator provided the kW of contracted Load Relief; provided, however, that the Company may estimate the data pursuant to the Company's operating procedure if data is not available for all intervals. When the weather-adjusted CBL methodology is used and the calculated weather adjustment falls outside of the Company defined ranges (i.e., the Company deems the weather to be atypical on the day of a Load Relief Period or Test when compared to the baseline period), the Company may review and revise a participant's baseline based on the Customer's historical load data. When the weather-adjusted CBL methodology is used, the Company, at its own discretion, may select alternate hours for the adjustment period to calculate the weather adjustment in order to accurately reflect the customer's typical usage.

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

C. Definitions (Cont'd)

Company Designated Area: An electrically defined area determined by the Company to be approaching system capacity limits during peak periods. A current list of the Company Designated Areas shall be listed on the Company's website.

Contingency Event: A Load Relief Period lasting four or more hours for which the Company provides two or more hours' advance notice.

Direct Participant: A Customer who enrolls under this Program directly with the Company for a single account and agrees to provide at least 50 kW of Load Relief.

Electric Generating Equipment: (a) electric generating equipment that is served under Service Classification No. 10, Service Classification No. 11, or Wholesale Distribution Service and used to provide Load Relief under this Program; or (b) emergency electric generating equipment that is interconnected and operated in compliance with rules governing Emergency Generating Facilities used for self-supply and used to provide Load Relief under this Program.

Immediate Event: A Load Relief Period lasting six or more hours for which the Company provides less than two hours' advance notice.

Load Relief: Power (kW) and energy (kWh): (a) ordinarily delivered by the Company that is displaced by use of Electric Generating Equipment and/or reduced by the Direct Participant or Aggregator at the Customer's premises; or (b) produced by use of Electric Generating Equipment by a customer taking service pursuant to Service Classification No. 10 or Wholesale Distribution Service and delivered by that Customer to the Company's distribution or transmission system during a Load Relief Period.

Load Relief Period: The hours for which the Company requests Load Relief during a Contingency Event or an Immediate Event. Load Relief shall not be required of a Direct Participant or Aggregator after 12:00 AM or before 6:00 AM.

Performance Factor: When a Planned Event or Test is called, is the quotient of: (i) the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the requested hours, up to the kW of contracted Load Relief to (ii) the kW of contracted Load Relief.

Renewable Generation: Behind-the-meter electric generating equipment that is not fossil-fueled and has no emissions associated with it.

Test: The Company's request under the Reservation Payment Option that Direct Participants and Aggregators provide one hour of Load Relief on not less than two hours advance notice.

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

D. Applications and Term of Service

1. Applications for service and the batch enrollment forms under this program must be made electronically. Direct Participants and Aggregator may participate after the Company's receipt and approval of a completed application and enrollment form. For the Reservation Payment Option, the Company shall accept an application by April 1 for a May 1 commencement date, or by May 1 for a June 1 commencement date. However, if the application is received by April 1 and the Company does not bill the participant monthly using interval metering at the time of application, participation may commence on the first day of a month as late as July 1 provided all conditions in Section F are satisfied. For the Voluntary Participation Option, the Company shall accept applications at any time provided all conditions in Section F are satisfied.

2. The desired commencement month must be specified in the application.

Applications shall not be accepted after the specified date for participation during the current Capability Period. If the first of the month falls on a weekend or holiday, applications shall be accepted until the first business day thereafter.

3. A Direct Participant or Aggregator may apply in writing to change the CBL Verification Methodology, to change the kW of pledged Load Relief, or to terminate service under this program for the upcoming Capability Period provided the request is received prior to commencing participation for that Capability Period. In order for a Direct Participant or Aggregator to increase its kW of contracted Load Relief, the Direct Participant's or Aggregator's most recent Performance Factor must be no less than 1.00.
4. An Aggregator may increase its kW of pledged Load Relief during a Capability Period only if it enrolls customers whose Aggregator either exited the program or is suspended from enrollment in the program for noncompliance with Aggregator eligibility requirements or the Company's operating procedures. In such case, the Aggregator may increase its kW of pledged Load Relief up to the amount of the transferred Customers' existing kW of pledged Load Relief.
5. Each application must state the kW of Load Relief that the Direct Participant or Aggregator contracts to provide for the Load Relief Period. The weather-adjusted CBL shall be used as the CBL Verification Methodology for each account number enrolled, unless the application specifies that the average-day CBL is to be used for verification of performance. A single CBL Verification Methodology shall be used for each customer to assess both energy (kWh) and demand (kW) Load Relief.

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

D. Applications and Term of Service (Cont'd)

6. If a Direct Participant or Aggregator requests to operate Electric Generating Equipment for Load Relief purposes under this Program, the application must state generator information, including the unit's serial number, nameplate rating, manufacturer, date of manufacture, fuel type or energy source, the kW enrolled using this equipment, and if the Company has approved the interconnection of such equipment. Furthermore, participants enrolled in a NYISO market-based program offered by the Company, NYPA or other entity, such as the Day-ahead Demand Response Program or the Demand-Side Ancillary Service Program, must provide the Company with their NYISO generator identification number, under a confidentiality agreement, and give the Company the ability to view their market participation activity. This information shall be used to verify the times of participation in these other programs to prevent double-payment during concurrent events.
7. Participation under this Program is permitted to participants in other programs that provide payment for capacity, such as the NYISO's Special Case Resources Program and the Company's Commercial System Relief Program.
8. Direct Participants and Aggregators must meet the metering requirements specified in Section F.
9. Customers who take service pursuant to a Net Metering option are not eligible to participate in this program.

E. Load Relief Period Criteria, Notification by the Company and Required Response

1. The Company declares a need for emergency or non-emergency relief, as described by 40 CFR 63.6640 subparts 2 and 4, or if a voltage reduction of five percent or greater has been ordered, the Company may designate such period as a Load Relief Period. The Company may designate specific feeders or geographical areas in which Load Relief shall be requested.
2. The Company shall notify Direct Participants and Aggregators by phone, email or machine-readable electronic signal, or a combination thereof, in advance of the commencement of a Load Relief Period or Test. The Direct Participant or Aggregator shall designate in writing an authorized representative and an alternate representative, and include an electronic address if applicable, to receive the notice. If an Aggregator is served under this Program, only the Aggregator shall be notified of the Load Relief Period or Test. The Aggregator is responsible for notifying all of the customers within its respective aggregation group in the affected area(s).
3. If the Company designates a Contingency Event or a Test, the Company shall provide two hours or more advance notice.

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

E. Load Relief Period Criteria, Notification by the Company and Required Response (Cont'd)

4. If the Company designates an Immediate Event, notice shall be given as soon as practicable. Participants are requested to provide Load Relief as soon as they are able.
5. Participants in the Reservation Payment Option are required to participate during:
 - a) The Load Relief Period for all Contingency Events called by the Company during the Capability Period, and
 - b) Tests called by the Company. The Test period shall not exceed one hour. Tests shall occur within the timeframe of Load Relief Periods. Participants in the Voluntary Participation Option shall not be tested.

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

F. Metering

1. Participation under this program requires that each participant's entire service be measured by interval metering with telecommunications capability used by the Company for monthly billing. If an Aggregator takes service under this program, all customers of the Aggregator must meet the metering and telecommunications requirements specified herein.
2. If, at the time of application for service under this program, the Company does not bill the participant monthly using interval metering, the Customer shall arrange for the furnishing and installation of interval metering with telecommunications capability to be used for billing and arrange for telecommunications service, at the participant's expense.
3. If the Company does not bill the participant monthly using interval metering at the time of application, participation in the Reservation Payment Option shall not commence unless both interval metering and meter communications are operational. If the Company receives a completed application by April 1, service can commence May 1 if interval metering is installed by April 1. If the Company receives a completed application by May 1, service can commence June 1 if interval metering is installed by May 1. In situations where interval metering has been installed, but the participant has been unable to obtain communications service to the meter, the customer may participate provisionally until communications are established and functioning. Incentive payments will be withheld until communications service is established and the necessary data is downloaded and verified. In the unusual instance that, prior to establishing communications service, data from the interval meter is unavailable during a time which impacts calculation of Customer Baseline Load or Load Relief during a Contingency Event, Immediate Event, or Test, the participant's performance during such event shall be set to zero. The customer will not receive any credit for performance during the Capability Period if they fail to establish communication prior to the end of the Capability Period. Once communications service is obtained, meter data will be utilized for future calculations in accordance to the established guidelines.
4. The Company shall install interval metering within 21 business days of the later of the Company's receipt of an applicant's payment for an upgrade to interval metering and: (i) evidence that a request has been made to the telephone carrier (e.g., receipt of a job number) to secure a dedicated phone line for a meter with landline telecommunications capability or (ii) the active Internet Protocol ("IP") address that the wireless carrier has assigned to the modem's ESN for a meter with wireless capability. If the Company misses the installation time frame for the Reservation Payment Option, it shall make the otherwise earned Reservation Payment to the Direct Participant or Aggregator, unless the meter delay was caused by a reason outside the Company's control, such as the telephone company's failure to install a landline or, if, at the Company's request, the Commission grants the Company an exception due to a condition such as a major outage or storm. The otherwise earned Reservation Payment shall be calculated by determining the number of months between the earliest month in which the customer could have begun participation had the meter been installed within the required timeframe (assuming the Company's acceptance of a completed application and receipt of payment for the meter upgrade) and the first month following the completed installation, and multiplying that number by the pledged kW and associated per-kW Reservation Payment Rate.
5. The Company shall visit the premises at the request of the Customer to investigate a disruption of normal communication between the phone line or wireless communications and the meter, or operation of external pulses from the meter to the Customer's energy management equipment. The Company shall charge for its visit based upon the cost to the Company.

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

G. Data Review

The Company reserves the right to review records and/or operations of any Direct Participant, Aggregator, customer of an Aggregator, or Meter Data Service Provider ("MDSP") to verify enrollment information and performance associated with any designated Load Relief Period or Test called by the Company. Once the Company initiates a data review, all payments shall be suspended pending the outcome of the review. The Company shall complete its review within 30 days of receipt of all requested data, but no later than December 31 of the calendar year of the Capability Period under review. Any suspended payments shall be reinstated if the Company's review of the data results in a finding that the enrollment and performance information are correct.

If the Company determines that a Direct Participant, Aggregator, customer of an Aggregator, or MDSP failed to cooperate fully and promptly with the review and/or did not fully comply with the provisions of this program and/or provided inaccurate data, the Direct Participant, Aggregator or the customer of the Aggregator shall be deemed ineligible to participate in the program until the issue is rectified. In addition, the Direct Participant or Aggregator shall be required to make prompt repayment to the Company of any overpayments that were made to such Direct Participant or Aggregator, on behalf of its customer, for the Capability Period that was reviewed as well as the current Capability Period, if different.

H. Aggregation

1. All customers of an Aggregator must meet the metering and telecommunications requirements of this program.
2. An Aggregator is responsible for the compliance of all customers it enrolls and shall be liable for performance, including, as applicable, repayments to the Company.

I. Voluntary Participation Option

1. Performance Payments for Load Relief

Except as specified in Section I.3, the Company shall make Performance Payments to a Direct Participant or Aggregator participating in the Voluntary Participation Option for Load Relief provided during a designated Load Relief Period.

The Performance Payment rate is \$0.00 per kWh.

The Performance Payment amount paid per event is equal to the applicable Payment Rate multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.

2. Application of Payments

The Company shall make payment to a Direct Participant or Aggregator, after the end of the program year, for the sum of the payments due for all Load Relief Periods in the Capability Period. Payments shall be made by bill credit, check, or wire transfer.

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

I. Voluntary Participation Option (Cont'd)

3. Payment for Direct Participants and Aggregators Participating in Other Programs

Performance payments shall not be made under this program if the Direct Participants or Aggregator (on behalf of its customer) receives payment for energy under any other demand response program (e.g., NYISO's Day-ahead Demand Reduction Program, NYISO's Special Case Resources Program or the Company's Commercial System Relief Program) during concurrent Load Relief hours. If a Direct Customer or Aggregator (on behalf of its customer) is enrolled in the Company's Commercial System Relief Program for concurrent Load Relief hours, Performance Payment will be made only through the Commercial System Relief Program.

J. Reservation Payment Option

1. Applicability

A Direct Participant or Aggregator shall receive a Reservation Payment if such Direct Participant or Aggregator agrees in writing to provide Load Relief for no less than four consecutive hours during each designated Load Relief Period during the effective Capability Period.

2. Reservation Payments

Reservation Payments per month are equal to the applicable Reservation Payment rate per kW per month multiplied by the kW of contracted Load Relief multiplied by the Performance Factor for the month. Reservation Payments shall be made under this Program independent of whether payments are made for capacity under any other program.

The Reservation Payment rate is \$0.00 per kW per month during months in which there have been four or fewer cumulative Contingency Events and Immediate Events since the beginning of the effective Capability Period. The Reservation Payment rate is \$0.00 per kW per month during months in which there have been five or greater cumulative Contingency Events and Immediate Events since the beginning of the effective Capability Period.

Reservation Payments shall be paid when the minimum performance factor per month is equal to or greater than 0.25 as provided in section 5. of this Rule.

3. Performance Payments for Load Relief

The Company shall make a Performance Payment per kWh for the first four hours of Load Relief provided during the Load Relief Period.

The Performance Payment is \$0.00 per kWh.

4. Bonus Payment

The Company shall make a Bonus Payment per kWh for the fifth and subsequent hours of Load Relief provided during the Load Relief Period.

The Bonus Payment is \$0.00 per kWh.

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

J. Reservation Payment Option (Cont'd)

5. Performance Factor

- a) When a Contingency Event is called, the Performance Factor is:
 - i. The quotient of average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the first four hours of the Load Relief Period and up to the kW of contracted Load Relief.
- b) When an Immediate Event is called, the Performance Factor is:
 - i. The quotient of the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the highest consecutive four hours during the first six hours of the Load Relief Period and up to the kW of contracted Load Relief.
- c) When a Test is called, the Performance Factor is:
 - i. The quotient of the kW of Load Relief provided during the Test Hour by the Direct Participant or Aggregator up to the kW of contracted Load Relief.
- d) When more than one Contingency Event, Immediate Event and/or Test is called during the month, the Performance Factor is the average of the Performance Factors for the Direct Participant or the average of the Performance Factors for the Aggregator during that month. Where service is taken under this Program by an Aggregator, the kW of contracted Load Relief is measured on a portfolio basis by CBL Verification Methodology.
 - i. The Performance Factor for the month is used to calculate Reservation Payments for that month and each month thereafter until the month in which the next Test or Load Relief Period is called by the Company during the current or subsequent year's Capability Period.
 - ii. If the Direct Participant or Aggregator did not participate in the program during the prior Capability Period, and no Load Relief Periods or Tests have been designated since the Direct Participant or Aggregator enrolled in the program, payment for the current month will be made based on an assumed Performance Factor of 0.50. A subsequent true-up will be made once an actual Performance Factor is established either via a Test or Load Relief Event. The true-up may result in a credit or a charge to the participant.
- e) The performance Factor is truncated to two decimal places and has an upper limit of 1.00 and a lower limit of 0.00. If the calculated Performance Factor as is less than 0.25, then it will be set at 0.00.

6. Application of Payments

Reservation Payments shall be calculated on a monthly basis. Payments shall be made by bill credit, check or wire transfer.

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New York State Electric & Gas Corporation
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GENERAL INFORMATION

Reserved for Future Use

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

J. Reservation Payment Option (Cont'd)

6. Application of Payments

Reservation Payments shall be calculated on a monthly basis. Payments shall be made by bill credit, check or wire transfer.

K. Cost Recovery

1. The Company shall collect the costs of this program from all customers pursuant to Rule 25.I.B.1, Transition Charge. The collection amount shall be allocated to each service classification based upon the Company's most recent primary distribution demand allocator.
2. The costs shall be collected from non-demand billed customers on a per kWh basis and from demand billed customers on a per kW basis.
3. The costs shall be tracked separately and reconciled with revenues collected for the program on an annual basis, inclusive of interest at the effective New York State Public Service Commission's published customer deposit rate applicable to investor owned utilities.
4. A DLM Statement setting forth the cost values included in the Transition Charge by service classification shall be updated annually and filed on not less than one days' notice. Such statement can be found at the end of this Schedule (P.S.C. No. 120 – Electricity).

35. Commercial System Relief Program

A. Applicability

All customers taking service under Service Classification Nos. 1, 2, 3, 6, 7, 8, 9, 10, 11, 12, 13 and 14, whether receiving electricity supply from the Company or an ESCO, including any NYPA Customer; and to any Aggregator that meets the requirements of this Program.

B. Contracting for Commercial System Relief Program Service

There are two options under this Program through which a Direct Participant or Aggregator may contract to provide Load Relief during Load Relief Periods designated by the Company. The Voluntary Participation Option and the Reservation Payment Option. This Program is applicable to Direct Participants and Aggregators who agree in writing to provide Load Relief either on a Voluntary Participation or Reservation Payment Option, during all Contracted Hours whenever the Company designates Planned Events during the Capability Period. Direct Participants and Aggregators may also agree to voluntarily provide Load Relief if an Unplanned Event is called.

A Direct Participant must contract to provide at least 50 kW of Load Relief. An Aggregator must contract to provide at least 50 kW of Load Relief.

If other requirements for service under this Program are met, Electric Generating Equipment may be used to participate under this Program subject to the provisions set forth in Section D below. The participating Direct Participant or Aggregator is responsible for determining that the operation of the generating equipment under this Program shall be in conformance with any governmental limitations on operation.

GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

C. Definitions

The following terms are defined for purposes of this Program only:

Aggregator: A party other than the Company that represents and aggregates the load of Customers who collectively have a Load Relief potential of 50 kW or greater in a Company Designated Area and is responsible for the actions of the Customers it represents, including performance and, as applicable, repayments to the Company.

Capability Period: The period during which the Company can request Load Relief. The Capability Period shall be from May 1 through September 30.

CBL: Customer baseline load as calculated under the Company's Customer Baseline Load methodology, using either the weather-sensitive adjustment option (the "weather adjusted CBL") or the average-day CBL. The Customer Baseline Load methodology shall be described in the Company's baseline operating procedure, which shall be published on the Company's website.

CBL Verification Methodology: The methodology used by the Company to verify the actual Load Relief provided (kW and kWh) during each hour of each designated Load Relief Period and Test.

Actual load levels are compared to the customer baseline loads to verify whether the Direct Participant or Aggregator provided the kW of contracted Load Relief; provided, however, that the Company may estimate the data pursuant to the Company's operating procedure if data is not available for all intervals. When the weather-adjusted CBL methodology is used and the calculated weather adjustment falls outside of the Company defined ranges (i.e., the Company deems the weather to be atypical on the day of a Load Relief Period or Test when compared to the baseline period), the Company may review and revise a participant's baseline based on the Customer's historical load data. When the weather-adjusted CBL methodology is used, the Company, at its own discretion, may select alternate hours for the adjustment period to calculate the weather adjustment in order to accurately reflect the customer's typical usage.

Contracted Hours: The four-hour period within a weekday, Monday through Friday during the Capability Period excluding federal holidays, during which the Direct Participant or Aggregator contracts to provide Load Relief whenever the Company designates a Planned Event.

Direct Participant: A Customer who enrolls under this Program directly with the Company for a single account and agrees to provide at least 50 kW of Load Relief.

Electric Generating Equipment: (a) electric generating equipment that is served under Service Classification No. 10, Service Classification No. 11, or Wholesale Distribution Service and used to provide Load Relief under this Program; or (b) emergency electric generating equipment that is interconnected and operated in compliance with rules governing Emergency Generating Facilities used for self supply and used to provide Load Relief under this Program.

GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

C. Definitions (Cont'd)

Load Relief: Power (kW) and energy (kWh): (a) ordinarily delivered by the Company that is displaced by use of Electric Generating Equipment and/or reduced by the Direct Participant or Aggregator at the Customer's premises; or (b) produced by use of Electric Generating Equipment by a customer taking service pursuant to Service Classification No. 10 or Wholesale Distribution Service and delivered by that Customer to the Company's distribution or transmission system during a Load Relief Period.

Load Relief Period: The hours for which the Company requests Load Relief when it designates a Planned Event or an Unplanned Event.

Performance Factor: When a Planned Event or Test is called, is the quotient of: (i) the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the requested hours, up to the kW of contracted Load Relief to (ii) the kW of contracted Load Relief.

Planned Event: The Company's request, on not less than 21 hours' advanced notice, for Load Relief during the Contracted Hours. Planned Events shall be called when the Company's day-ahead forecasted load level is at least 92% of the forecasted summer system-wide peak. Day-ahead and summer peak forecast information for the system shall be posted to the Company's website. Planned Events shall be scheduled on weekdays and will begin at 2 p.m. and end at 6 p.m. There shall be a Planned Event confirmation or cancellation notification no less than 2 hours before the start of the event.

Renewable Generation: Behind-the-meter electric generating equipment that is not fossil-fueled and has no emissions associated with it.

Test: The Company's request under the Reservation Payment Option for Direct Participants and Aggregators to provide one hour of Load Relief on not less than 21 hours advanced notice. There shall be a Test confirmation or cancellation notification no less than 2 hours before the start of the Test.

Unplanned Event: The Company's request for Load Relief: (a) on less than 21 hours' advanced notice; or (b) for hours outside of the Contracted Hours.

D. Applications and Term of Service

1. Applications for service and the batch enrollment forms under this Program must be made electronically. Direct Participants and Aggregators may participate after the Company's receipt and approval of a completed application and enrollment form. For the Reservation Payment Option, the Company shall accept an application by April 1 for a May 1 commencement date, or by May 1 for a June 1 commencement date. However, if the application is received by April 1 and the Company does not bill the participant monthly using interval metering at the time of application, participation may commence on July 1 provided all conditions in Section F are satisfied. For the Voluntary Participation Option, the Company shall accept applications at any time provided all conditions in Section F are satisfied.

GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

D. Applications and Term of Service (Cont'd)

2. The desired commencement month must be specified in the application.

Applications shall not be accepted after the specified date for participation during the current Capability Period. If the first of the month falls on a weekend or holiday, applications shall be accepted until the first business day thereafter.

3. A Direct Participant or Aggregator may apply in writing to change the CBL Verification Methodology, to change the kW of pledged Load Relief, or to terminate service under this Program for the upcoming Capability Period provided the request is received prior to commencing participation for that Capability Period. In order for a Direct Participant or Aggregator to increase its kW of contracted Load Relief, the Direct Participant's or Aggregator's most recent Performance Factor must be no less than 1.00.
4. An Aggregator may increase its kW of pledged Load Relief during a Capability Period only if it enrolls customers whose Aggregator either exited the program or is suspended from enrollment in the program for noncompliance with Aggregator eligibility requirements or the Company's operating procedures. In such case, the Aggregator may increase its kW of pledged Load Relief up to the amount of the transferred Customers' existing kW of pledged Load Relief.
5. Each application must state the kW of Load Relief that the Direct Participant or Aggregator contracts to provide for the Load Relief Period. The weather-adjusted CBL shall be used as the CBL Verification Methodology for each account number enrolled, unless the application specifies that the average-day CBL is to be used for verification of performance. A single CBL Verification Methodology shall be used for each customer to assess both energy (kWh) and demand (kW) Load Relief.
6. Participation by diesel-fired Electric Generating Equipment shall be permitted only if the engine for the equipment is model year 2000 or newer. Participation by these diesel-fired Electric Generating Equipment shall be limited to 20% of the total kW enrolled under this Program for the Capability Period. Enrollment by such generators shall be accepted on a first come, first served basis. Within these geographic areas, no limit or cap shall be placed on the following: natural gas-fired rich burn Electric Generating Equipment that incorporates three-way catalyst emission controls; natural gas lean-burn Electric Generating Equipment with an engine of model year vintage 2000 or newer; or Electric Generating Equipment that has a NOx emissions level of no more than 2.96 lb/MWh.
7. If a Direct Participant or Aggregator requests to operate Electric Generating Equipment for Load Relief purposes under this Program, the application must state generator information, including the unit's serial number, nameplate rating, manufacturer, date of manufacture, fuel type or energy source, the kW enrolled using this equipment, and identification as to whether the unit incorporates three-way catalyst emission controls (natural gas-fired rich burn), a natural gas lean-burn engine of model year vintage 2000 or newer, or a diesel-fired engine of model year vintage 2000 or newer, or whether it has a NOx emission level of no more than 2.96 lb/MWh. If the generating equipment has a NOx emission level of no more than 2.96 lb/MWh, but is not natural gas-fired rich burn generating equipment that incorporates three-way catalyst emission controls, a natural gas lean-burn engine of model year vintage 2000 or newer, or a diesel-fired engine of model year vintage 2000 or newer, written certification by a professional engineer must be attached to the application attesting to the accuracy of all generation-related information contained in the application, including the NOx emission level.

GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

D. Applications and Term of Service (Cont'd)

7. (Cont'd)

Copies of all New York State Department of Environmental Conservation ("DEC") permits must be included with the application. By applying for service under this Program, Direct Participants and Aggregators (on behalf of their customers) agree to permit the Company to provide information regarding the Electric Generating Equipment to the DEC for its review, subject to the DEC's agreement to keep this information confidential. Furthermore, participants enrolled in a NYISO market-based program offered by the Company, NYPA or other entity, such as the Day-ahead Demand Response Program or the Demand-Side Ancillary Service Program, must provide the Company with their NYISO generator identification number, under a confidentiality agreement, and give the Company the ability to view their market participation activity. This information shall be used to verify the times of participation in these other programs to prevent double-payment during concurrent events.

8. Participation under this Program is permitted to participants in other programs that provide payment for capacity, such as the NYISO's Special Case Resources Program and the Company's Distribution Load Relief Program.

9. Direct Participants and Aggregators must meet the metering requirements specified in Section F.

10. Customers who take service pursuant to a Net Metering option are not eligible to participate in this program. However, a customer that is participating in Rule 26.B., Value Stack and qualifies for DRV and/or LSRV of the Value Stack compensation is permitted to participate in this Program in lieu of receiving the DRV and/or LSRV compensation. A customer-generator compensated under Rule 22.D. Value Stack that opts into this Program shall be compensated for their injections using the same load reduction calculation methodology and at the same rate as compensation for load reductions as described in Rules 35.I. and 35.J. This voluntary election is a one-time, irrevocable selection that may be made at any point during the project's Value Stack compensation term, however, shall be made in accordance with Rule 35.D. If such election is made after April 1, the effective date of such election shall be the following year's Capability Period described in Rule 35.D.1.

E. Load Relief Period Criteria, Notification by the Company and Required Response

1. The Company shall notify Direct Participants and Aggregators by phone, e-mail, or machine-readable electronic signal, or a combination thereof, in advance of the commencement of a Load Relief Period or Test. The Direct Participant or Aggregator shall designate in writing an authorized representative and an alternate representative, and include an electronic address if applicable, to receive the notice. If an Aggregator is served under this Program, only the Aggregator shall be notified of the Load Relief Period or Test. The Aggregator is responsible for notifying all of the customers within its respective aggregation group.

2. If the Company designates a Planned Event or a Test, the Company shall provide advance notice at least 21 hours in advance of the event. The Company shall again provide advance confirmation or cancellation notice on the day of the event, usually two or more hours in advance.

3. If the Company designates an Unplanned Event, notice shall be given as soon as practicable. Participants are requested to provide Load Relief as soon as they are able.

4. Participants in the Reservation Payment Option are required to participate during:
a. all Contracted Hours for all Planned Events called by the Company during the Capability Period, and
b. Test called by the Company. The Test period shall not exceed one hour. Tests shall occur within the timeframe of Load Relief Periods. Participants in the Voluntary Participation Option shall not be tested.

GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

F. Metering

1. Participation under this Program requires that each participant's entire service be measured by interval metering with telecommunications capability used by the Company for monthly billing. If an Aggregator takes service under this Program, all customers of the Aggregator must meet the metering and telecommunications requirements specified herein.
2. If, at the time of application for service under this Program, the Company does not bill the participant monthly using interval metering, the Customer shall arrange for the furnishing and installation of interval metering with telecommunications capability to be used for billing and arrange for telecommunications service, at the participant's expense.
3. If the Company does not bill the participant monthly using interval metering at the time of application, participation in the Reservation Payment Option shall not commence unless both interval metering and meter communications are operational. If the Company receives a completed application by April 1. If the Company receives a completed application by May 1, service can commence June 1 if interval metering is installed by May 1. In situations where interval metering has been installed, but the participant has been unable to obtain communications service to the meter, the customer may participate provisionally until communications are established and functioning. Incentive payments will be withheld until communications service is established and the necessary data is downloaded and verified. In the unusual instance that, prior to establishing communications service, data from the interval meter is unavailable during a time which impacts calculation of Customer Baseline Load or Load Relief during a Planned Event, Unplanned Event, or Test, the participant's performance during such event shall be set to zero. The customer will not receive any credit for performance during the Capability Period if they fail to establish communication prior to the end of the Capability Period. Once communications service is obtained, meter data will be utilized for future calculations in accordance to the established guidelines.
4. The Company shall install interval metering within 21 business days of the later of the Company's receipt of an applicant's payment for an upgrade to interval metering and: (i) evidence that a request has been made to the telephone carrier (e.g., receipt of a job number) to secure a dedicated phone line for a meter with landline telecommunications capability or (ii) the active Internet Protocol ("IP") address that the wireless carrier has assigned to the modem's ESN for a meter with wireless capability. If the Company misses the installation time frame for the Reservation Payment Option, it shall make the otherwise earned Reservation Payment to the Direct Participant or Aggregator, unless the meter delay was caused by a reason outside the Company's control, such as the telephone company's failure to install a landline or, if, at the Company's request, the Commission grants the Company an exception due to a condition such as a major outage or storm. The otherwise earned Reservation Payment shall be calculated by determining the number of months between the earliest month in which the customer could have begun participation had the meter been installed within the required timeframe (assuming the Company's acceptance of a completed application and receipt of payment for the meter upgrade) and the first month following the completed installation, and multiplying that number by the pledged kW and associated per-kW Reservation Payment Rate.
5. The Company shall visit the premises at the request of the Customer to investigate a disruption of normal communications between the phone line or wireless communication and the meter, or operation of external pulses from the meter to the Customer's energy management equipment. The Company shall charge for its visit based upon the cost to the Company.

GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

G. Data Review

The Company reserves the right to review records and/or operations of any Direct Participant, Aggregator, customer of an Aggregator, or Meter Data Service Provider ("MDSP") to verify enrollment information and performance associated with any designated Load Relief Period or Test called by the Company. Once the Company initiates a data review, all payments shall be suspended pending the outcome of the review. The Company shall complete its review within 30 days of receipt of all requested data, but no later than December 31 of the calendar year of the Capability Period under review. Any suspended payments shall be reinstated if the Company's review of the data results in a finding that the enrollment and performance information are correct.

If the Company determines that a Direct Participant, Aggregator, customer of an Aggregator or MDSP failed to cooperate fully and promptly with the review and/or did not fully comply with the provisions of this Rider and/or provided inaccurate data, the Direct Participant or the customer of the Aggregator shall be deemed ineligible to participate in the program until the issue is rectified. In addition, the Direct Participant or Aggregator shall be required to make prompt repayment to the Company of any overpayments that were made to such Direct Participant or Aggregator, on behalf of its customer, for the Capability Period that was reviewed as well as the current Capability Period, if different.

H. Aggregation

1. All customers of an Aggregator must meet the metering and telecommunications requirements of this Program.
2. An Aggregator is responsible for the compliance of all customers it enrolls and shall be liable for performance, including, as applicable, repayments to the Company.

I. Voluntary Participation Option

1. Performance Payments for Load Relief

Except as specified in Section I.3, the Company shall make Performance Payments to a Direct Participant or Aggregator participating in the Voluntary Participation Option for Load Relief provided during a designated Load Relief Period.

The Performance Payment rate is \$0.50 per kWh.

The Performance Payment amount paid per event is equal to the applicable Payment Rate multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.

2. Application of Payments

The Company shall make payment to a Direct Participant or Aggregator, after the end of the program year, for the sum of the payments due for all Load Relief Periods in the Capability Period. Payments shall be made by bill credit, check, or wire transfer.

3. Performance Payments shall not be made under this Program if the Direct Participants or Aggregator (on behalf of its customer) receives payment for energy under any other demand response program (e.g., NYISO's Day-ahead Demand Reduction Program or NYISO's Special Case Resources Program) during concurrent Load Relief hours. If a Direct Customer or Aggregator (on behalf of its customer) is enrolled in the Company's Distribution Load Relief Program for concurrent Load Relief hours, Performance Payment will be made only through the Commercial System Relief Program.

GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

J. Reservation Payment Option

1. Applicability

Direct Participants and Aggregators shall receive a Reservation Payment for each Capability Period month in which they are enrolled. The Reservation Payment rate per kW is based on the number of cumulative Planned Events for which the Direct Participant or Aggregator was asked to provide Load Relief during the Capability Period.

2. Reservation Payments per month are equal to the applicable Reservation Payment rate per kW per month multiplied by the kW of contracted Load Relief multiplied by the Performance Factor for the month. Reservation Payments shall be made under this Program based on the number of Events called during the month.

The Reservation Payment rate is \$4.10 per kW per month for up to four Events per month.

The Reservation Payment rate is \$4.35 per kW per month if five or more Events are called in the month.

Reservation Payments shall be paid when the minimum performance factor per month is equal to or greater than 0.25 as provided for in section 5. of this Rule.

3. Performance Payments for Load Relief

The Company shall make a Performance Payment per kWh for the first four hours of Load Relief provided during the Load Relief Period.

The Performance Payment is \$0.50 per kWh.

GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

J. Reservation Payment Option (Cont'd)

4. Bonus Payment

The Company shall make a Bonus Payment per kWh for the fifth and subsequent hours of Load Relief provided during the Load Relief Period.

The Bonus Payment is \$0.60 per kWh.

5. Performance Factor

a) When a Planned Event is called, the Performance Factor is:

- i. The quotient of average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the first four hours of the Load Relief Period and up to the kW of contracted Load Relief.

b) When a Test is called, the Performance Factor is:

- i. The quotient of the kW of Load Relief provided during the Test Hour by the Direct Participant or Aggregator up to the kW of contracted Load Relief.

c) When more than one Planned Event and/or Test is called during the month, the Performance Factor is the average of the Performance Factors for the Direct Participant or the average of the Performance Factors for the Aggregator during that month. Where service is taken under this Program by an Aggregator, the kW of contracted Load Relief is measured on a portfolio basis by CBL Verification Methodology.

- i. The Performance Factor for the month is used to calculate Reservation Payments for that month and each month thereafter until the month in which the next Test or Load Relief Period is called by the Company during the current or subsequent year's Capability Period.
- ii. If the Direct Participant or Aggregator did not participate in the program during the prior Capability Period, and no Load Relief Periods or Tests have been designated since the Direct Participant or Aggregator enrolled in the program, payment for the current month shall be made based on an assumed Performance Factor of 0.50. A subsequent true-up shall be made once an actual Performance Factor is established either via a Test or Load Relief Event. The true-up may result in a credit or a charge to the participant.

d) The Performance Factor is truncated to two decimal places and has an upper limit of 1.00 and a lower limit of 0.00. If the calculated Performance Factor is less than or equal to 0.25, the Performance Factor will be set to 0.00.

6. Application of Payments

Reservation Payments shall be calculated on a monthly basis. Payments shall be made by bill credit, check or wire transfer.

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GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

K. Cost Recovery

1. The Company shall collect the costs of this program from all customers pursuant to Rule 25.I.B.1, Transition Charge. The collection amount shall be allocated to each service classification based upon the Company's most recent transmission plant allocator.
2. The costs shall be collected from non-demand billed customers on a per kWh basis and from demand billed customers on a per kW.
3. The costs shall be tracked separately and reconciled with revenues collected for the program on an annual basis, inclusive of interest at the effective New York State Public Service Commission's published customer deposit rate applicable to investor owned utilities.
4. A DLM Statement setting forth the cost values included in the Transition Charge by service classification shall be updated annually and filed on not less than one days' notice. Such statement can be found at the end of this Schedule (P.S.C. No. 120 – Electricity).

GENERAL INFORMATION

36. Direct Load Control Program

A. Applicability

All Customers, whether receiving electricity from the Company or an ESCO, unless the customer is required to participate in mandatory Hourly Pricing or voluntarily elects Hourly Pricing.

B. Eligibility

To participate under this Program, a Customer must have load controllable equipment and install a Control Device, or when applicable, agree to the installation of a Control Device, agree to Program terms and conditions, and agree to allow the Company to control the Control Device for the purpose of this Program.

C. Designated Areas of Participation

Various Programs shall be offered to eligible customers within the Company's service territory unless otherwise noted.

D. Definitions

The following terms are defined for purposes of this Program only:

Capability Period: The period during which the Company can request Load Relief. The Capability Period shall be from May 1 through September 30.

Company Designated Area: An electrically defined area determined by the Company to be approaching system capacity limits during peak periods. A current list of the Company Designated Areas shall be listed on the Company's website.

Control Device: A device installed on the Customer's load controllable equipment via a smart plug or embedded control that allows the Company to remotely control the equipment when an Event or Test is called. For purposes of this Program, Control Device means one or more devices as may be required to control the equipment. Each Control device may contain a feature that allows the Customer to override the Company's control of the Customer's equipment. The Control Device must be provided, installed, and connected to the Internet by the Company or its Contractor, or it must be installed and connected to the Internet by the Customer who enrolled in the Program through a Service Provider. If an internet connection is not feasible, another connection method may be acceptable at the Company's discretion.

Event: A period of time when the Company may remotely control the customer's load-controllable equipment. Events may be declared when:

1. the NYISO declares an emergency in conjunction with an in-day peak hour forecast response to an operating reserve peak forecast shortage or in response to a major state of emergency as defined in Section 3.2 of the NYISO Emergency Operations Manual, or at the NYISO's discretion to relieve system or zonal emergencies;
2. the NYISO activates its Special Case Resources Program in response to a forecast peak operating reserve shortfall; or
3. the Company determines that a Company designated area peak may occur;
4. the Company determines that a NYISO or Company peak may occur;
5. the Company declares a need for emergency or if a voltage reduction of five percent or greater has been ordered.

Load Relief: Energy (kWh) that is ordinarily delivered by the Company that is reduced by the Participating Customer.

Load Relief Period: The hours for which the Company requests Load Relief when it designates an Event or a Test.

Service Provider: A provider registered with the Company to develop, maintain, and operate a communications portal that enables Internet-connected Control Devices to participate under this program. A list of current Service Providers is available on the Company's website.

Test: The Company's request to provide up to four hours of Load Relief to determine program capabilities.

GENERAL INFORMATION

36. Direct Load Control Program (Cont'd)

E. Applications

Applications to participate under this program may be made electronically at a Company designated website.

F. Customers Receiving a Control Device from the Company

The option is available at the Company's discretion. The Company may limit availability to customers residing in a Company Designated Area.

1. Customers who receive a Control Device from the Company shall be enrolled in the Program and agree to allow the Company to control the Control Device for the purpose of this Program. The Control Device shall become the Customer's property upon installation.
2. At the Company's discretion, the Company may offer installation services of a Control Device.
3. At the Company's discretion, the Company may offer a sign-up and/or annual incentive to customers who receive a Control Device from the Company after the Control Device is installed. Customers who fully participate in Tests or Events are eligible for a participation incentive for each Test or Event. Incentive amounts and means of payment shall be determined by the Company.

G. Customers Enrolling a Control Device Through a Service Provider

This option is open to all qualified customers in the Company Service Territory.

Customers who enroll in the Program through a Service Provider with their own Control Device or a Control Device provided by a Service Provider shall receive a one-time enrollment incentive. Customers who fully participate in Tests or Events are eligible for a participation incentive. Incentive amounts and means of payment shall be determined by the Company.

H. Restrictions

This Program is not available to customers who participate, either directly or indirectly through a third party, under any other Company or NYISO demand-response Program. This includes, but is not limited to, the NYISO Special Case Resources (SCR) Program (or any applicable Company Program that is intended to take the place of the NYISO SCR Program), the Company's Distribution Load Relief Program or Commercial System Relief Program.

I. Cost Recovery

1. The Company shall collect the costs of this program from all customers pursuant to Rule 25.I.B.1, Transition Charge. The collection amount shall be allocated to each service classification based upon the Company's most recent primary distribution demand allocator.
2. The costs shall be collected from non-demand billed customers on a per kWh basis and from demand billed customers on a per kW basis.
3. The costs shall be tracked separately and reconciled with revenues collected for the program on an annual basis, inclusive of interest at the effective New York State Public Service Commission's published customer deposit rate applicable to investor owned utilities.
4. A DLM Statement setting forth the cost values included in the Transition Charge by service classification shall be updated annually and filed on not less than one days' notice. Such statement can be found at the end of this Schedule (P.S.C. No. 120 – Electricity).

GENERAL INFORMATION

37. Community Distributed Generation

A customer may participate in Community Distributed Generation (“CDG”) as provided herein.

The CDG Host and CDG Satellites must meet all terms and conditions of this Rate Schedule and the requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082 and Case 15-M-0180, as they may be amended or superseded from time to time.

1. Definitions

Available Credit: The Total Available Credit shall be determined as the sum of i) the CDG project’s Value Stack Compensation for the applicable billing period multiplied by the CDG Satellite’s Allocation Percentage; and ii) any retained credits that have been banked or re-allocated to the CDG Satellite’s account.

CDG Host: A non-residential customer that owns or operates electric generating equipment eligible for net metering under this Rule and whose net energy produced by its generating equipment is applied to the accounts of other electric customers (“CDG Satellites”) with which it has a contractual arrangement related to the disposition of net metering credits.

CDG Host Anniversary Month: 11 months from the CDG Host’s initial CDG bill period start date. The CDG Host Anniversary month cannot be modified or changed.

CDG Satellites: A customer who is participating in a CDG Program. Each customer shall own or contract for a proportion of the credits accumulated at the meter of the CDG Host.

Excess Generation: The electricity (kWh) supplied by the CDG Host to the Company during the billing period that exceeds the electricity (kWh) supplied by the Company to CDG Host. For customers billed on time-differentiated rates (TOU meter), *e.g.*, On-Peak/Off-Peak, the excess is calculated and maintained for each peak. For hourly billed customers, excess generation is calculated for each hourly period.

Net Member Credits: Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credit, which is defined as the minimum of: the Total Available Credit and (2) the CDG Satellite’s current electric bill for the applicable billing period.

Net-Metered Generation Facility: A generation facility eligible for net metering as a non-residential customer in conformance with PSL 66-j or 66-l, limited in size to 5 MW (Micro-Combined Heat and Power, (“CHP”) is excluded from this Rule), located behind a host meter attached to a load under either a demand or non-demand classification. A CDG Host with an eligible Clean Energy Standard Tier 1 technology as provided in Appendix A of the Commission’s Order Adopting a Clean Energy Standard, issued on August 1, 2016 in Case 15-E-0302, and participating in Rule 40.B. Value Stack may qualify as a generation facility for CDG and be compensated based on Rule 40.B. Stand-alone energy storage systems shall be an eligible facility for CDG subject to the requirements described in Rule 40.B.

Operating Agreement: Details the process and contractual agreement between the Company and CDG Host.

Unallocated Credits: If sum of CDG Satellite's is less than 100%, difference becomes Unallocated satellite percentage. The Unallocated Satellite Percentage will be multiplied by the CDG project’s Value Stack Compensation for the applicable billing period, excluding any Market Transition Credits or Community Credits to determine the Unallocated Credits. The Unallocated Credits will be added to the current retained/banked credits on the CDG Host account for future redistribution to the CDG Satellites.

GENERAL INFORMATION

37. Community Distributed Generation

2. Initial and Subsequent Applications by CDG Hosts

The CDG Host must be a non-residential customer with a Net-Metered Generation Facility. The CDG Host must certify in writing to the Company, both prior to commencing net metered service under CDG and annually thereafter, that it has met all program criteria set forth in the Commission's Orders, including but not limited to certifying that they can satisfy all obligations assumed with respect to project members and other requirements established by the Commission.

- a. A CDG Host shall comply with the requirements set forth in the UBP-DER Addendum.
- b. Initial Allocation Requests: At least 60 days before commencing net metered service under CDG, the CDG Host shall designate in its initial application for CDG service the CDG Host Account and CDG Satellite Accounts that shall receive net metered service under CDG.
 - i. Accepted Allocation Requests shall be effective with the first full Host Account billing period from the later of 60 days after receipt of such request or effective date of interconnection.
- c. Subsequent Allocation Requests: After commencing net metered service under CDG, the CDG Host may modify its CDG Satellite Accounts and/or the percentage allocated to itself or one or more of its CDG Satellite Accounts once per CDG Host billing cycle by giving notice to the Company no less than 30 days before the CDG Host Account's cycle billing date to which the modifications apply.
 - i. Accepted Allocation Requests shall be effective with the next full Host Account billing period 30 days after the receipt of such request
 - ii. For bi-monthly billed CDG Host Accounts, allocation requests should be submitted bi-monthly and must be received by the Company no less than 30 days before the CDG Host Accounts bi-monthly bill date.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

3. CDG Host Submission Requirements Applicable to 2a and 2b Above:

- a. A CDG Host that provides a CDG Satellite's name and account number to the Company (and such other information as the Company may require to verify the customer's account based on the information provided), as described in the Company's CDG Operating Agreement, is certifying that it has written authorization from the customer to request and receive that customer's historical usage information and, upon enrolling a CDG Satellite Account, that it has entered into a written contract with such customer. The Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellite, including contractual terms, pricing, dispute resolution, and contract termination.
- b. The CDG Host must designate no fewer than 10 CDG Satellite Accounts that meet the specifications set forth in Section 3, except when the project:
 - i. is located on the site of a property serving multiple residential or non-residential customers.
 - ii. only serves farm operations ("CDG Farm Project"), as defined in PSL Agricultural and Markets Law, Section 301(11); and residences of individuals who own or are employed by the served farm operations. A CDG Farm Project that seeks to waive the minimum number of Satellite Accounts shall be responsible for certifying to the Company that each Satellite Account is either a farm operation or the owner or employee of one of the farm operation Satellite Accounts.
- c. Satellite allocations of Host Account Excess Generation should be specified in a percentage up to three decimal places of accuracy.
- d. The total allocations must equal 100 % including any portion to be designated to the CDG Host.
- e. Submittals in which allocations that do not equal 100.000% shall be rejected, and the CDG Host must submit a new allocation percentage 60 days before net metered service shall commence. Additionally, the CDG Host must allocate the project's generation to its CDG Satellites, according to the following:
 - i. A CDG Host which has paid 25% of interconnection costs, or executed a SIR contract if no such payment is required, on or before February 12, 2021, and has either interconnected to the Company's distribution system on or after February 13, 2021, in accordance with the SIR or interconnected to the Company's distribution system before February 13, 2021, but did not begin taking service as a CDG Host by receiving credits for injections before February 13, 2021, must allocate at least 60% of the project generation to CDG Satellites that are:
 - a) Served under SC1, SC6, SC8, SC9, SC12; or
 - b) Served under SC2, SC3, SC7, and where the CDG Satellite has an average billed kW less than or equal to 25 kW based on the most recent 12 monthly billing periods; or
 - c) a multi-unit building with a single meter serving multiple occupants, as described in Rule 37.3.f.i; or
 - d) served under PSC No. 121 if the project receives compensation based on Rule 40.B. Value Stack.
 - e) if an allocation file was accepted by the Company before February 12, 2021, that included more than 40% of the allocations to subscribers served under SC3, SC7, SC9 where the CDG Satellite has an average billed kW greater than 25 kW based on the most recent 12 monthly billing periods of CDG Satellites with an average billed kW greater than 25 kW, the Company will accept allocation files that have no more than 40% allocated to customers served under demand billed service classes that have allocations of more than 25 kW as measured by the allocation percentage multiplied by the AC nameplate rating of the CDG Host facility for the remainder of the CDG Host's project term.
 - ii. A CDG Host which is interconnected to the Company's distribution system in accordance with the SIR, on or before February 12, 2021 and has begun taking service as a CDG Host by receiving credits for injections before February 12, 2021, must allocate at least 60% of the project generation to CDG Satellites that are:
 - a) Served under SC1, SC6, SC8, SC9, SC12; or
 - b) Served under SC2, SC3, SC7, and where the CDG Satellite has an average billed kW less than or equal to 25 kW based on the most recent 12 monthly billing periods; or,

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

3. CDG Host Submission Requirements Applicable to 2a and 2b Above (Cont'd):

- c) A multi-unit building with a single meter serving multiple occupants, as described in Rule 37.3.f.i; or
 - d) served under PSC No. 121 if the project receives compensation based on Rule 40.B. Value Stack.
 - iii. A CDG Host which pays 25% of interconnection costs, or executed a SIR contract if no such payment is required, after February 12, 2021 must allocate at least 60% of the project generation to CDG Satellites that are:
 - a) Served under SC1, SC6, SC8, SC9, SC12; or
 - b) Served under SC2, SC3, SC7, and where the CDG Satellite has an average billed kW less than or equal to 25 kW based on the most recent 12 monthly billing periods;
 - c) A multi-unit building with a single meter serving multiple occupants, as described in Rule 37.3.f.i ; or
 - d) served under PSC No. 121 if the project receives compensation based on Rule 40.B. Value Stack
 - iv. Once a CDG Host's project has been interconnected to the Company's distribution system in accordance with the SIR, and begun taking service pursuant to this Rule by receiving credits for injections, the project must continue to use the allocation methodology approved by the Company for that project.
 - v. Verification of satellites is completed by the Company each time an allocation form is submitted by a CDG Host based on the methodology established during Company's final approval of CDG Host's initial allocation form.
 - f. No more than 40% of the Excess Generation of the CDG Host may serve CDG Satellites of 25 kW or greater (for those members collectively); provided, however, that the CDG Host may:
 - i. include each dwelling unit located within a multi-unit building and served indirectly as though it were a separate participant for determining whether the 10 CDG Satellite Account minimum and 40% output limits are reached; or
 - ii. for a CDG Farm Project, waive the requirement that no single large Satellite Account member or group of Satellite Account members consume more than 40% of the credits generated by the CDG Farm Project.
 - g. A CDG Host Account shall not be a Remote Net Metered Host or Satellite Account. If the CDG Host Account was previously established under Remote Net Metering as an energy-only account and its Satellite Accounts receive monetary crediting, the CDG Host must permanently surrender its rights to monetary crediting under a non-demand service classification before participating in CDG.
 - h. The CDG Host shall submit a completed application via an electronic transfer to the Company and shall certify to the Company that its project meets the PSC's eligibility requirements as specified in its Orders in Case 15-E-0082 and as may be revised thereafter.
 - i. A CDG Host shall recertify on an annual basis they continue to meet all requirements as set forth in this Rule and in the CDG Operating Agreement.
- #### 4. CDG Satellite Account Requirements
- a. A CDG Satellite Account shall have only one CDG Host Account.
 - b. All associated CDG Satellite Accounts must be located within the Company's service territory and within the same NYISO zone as the CDG Host Account, except for a CDG Facility that is being compensated pursuant to Rule 40.B. Value Stack. CDG Satellite Accounts of a CDG Host Account that is compensated pursuant to Rule 40.B. Value Stack, do not need to be located within the same NYISO zone as the CDG Host Account of the Company's service territory.
 - c. The CDG Satellite Account shall not be a net metered customer-generator or a Remote Net Metered Host or Satellite Account or take Standby Service under S.C. No. 11.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

4. CDG Satellite Account Requirements (Cont'd)

- d. Each CDG Satellite Account must take a percentage of the output of the CDG Host's Excess Generation. The percentage must amount to at least 1,000 kWh annually but may not exceed the CDG Satellite Account's historic average annual kWh usage (or forecast usage if historic data is not available).
- e. A non-metered account may qualify as a Satellite Account if the CDG Host is being compensated based on a monetary crediting methodology pursuant to Rule 40, Value of Distributed Energy Resources ("VDER").

5. Process and Customer Protections

- a. The Company's CDG Operating Agreement details the format and requirements for CDG application submissions.
- b. Additionally, the Company's CDG Operating Agreement sets forth consumer protections required of CDG Hosts, which may be in addition to, or as modified by, the Uniform Business Practices for Distributed Energy Resource Providers, to be issued by the Commission.
- c. A CDG Host may not request termination or suspension of the Company's electric service to a CDG Satellite Account.
- d. Service under this Rule shall terminate if the Company is notified by the Commission that a CDG Host is no longer eligible; if the CDG Host withdraws from CDG participation; or if the Company terminates service to the CDG Host Account. In such cases, the Account Closure provisions set forth in Section 9 of this Rule shall apply.

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GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

6. Metering Requirement

- a. For a CDG Host with a Net Metered Generation Facility that has completed Step 8 of the SIR Addendum-SIR or has installed Net Metered Generation Facility on or prior to March 9, 2017 ("Existing"), the Company shall install metering appropriate for the customer's service classification that enables the Company to measure the electricity delivered to the customer and measure the electricity supplied by the customer to the Company. Where the Company determines that a second meter should be installed, no additional costs shall be billed to the customer. When a second meter is requested by the customer that is not required by the Company, the customer shall be responsible for the cost of the meter, the installation, and any additional costs.
- b. For a CDG Host with a Net Metered Generation Facility that does not meet the requirements in 6.a., the Company shall install metering capable of recording net hourly consumption and injection for a customer. The customer shall be responsible for the cost of the meter, the installation, and any additional costs.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits

1. The Company shall calculate credits in accordance with 4.) below for a customer that has completed Step 8 of the SIR Addendum-SIR or has installed Net Metered Generation Facility on or prior to March 9, 2017, for the life of the Net Metered Facility ("Existing").
2. The Company shall calculate credits in accordance with 4.) below for a customer that installs a Net Metered Generation Facility and does not meet the date requirement in 1.) above (i.e., installed after March 9, 2017) for a period of up to 20 years from the project's in-service date ("Phase One NEM") if the customer has:
 - a. made payment for 25% of its interconnection costs, or has its Standard Interconnection Contract executed if no such payment is required as of July 17, 2017, and
 - b. prior to the Company exceeding its 56 MW capacity limit.
3. The Company shall calculate credits in accordance with Rule 40.B, Value of Distributed Energy Resources, Value Stack, for a Net Metered Generation Facility that does not meet the requirements in 1.) and 2.) above.
4. Calculation and Application of:

a. Monetary Credits:

A CDG Host Account that is: demand-billed; or has farm waste electric generating equipment Facility Located and Used at its Premises; or has fuel cell electric generating equipment, shall receive monetary credits in a month where the Host Account has Excess Generation. The monetary credit shall first be applied to any outstanding charges on the Host Account's current electric bill.

- i. Excess Generation shall be converted to the equivalent monetary value at the per kWh rate applicable to the Host Account's service classification for a demand-billed customer that does not have farm waste electric generating equipment at its Non-Farm Location; or does not have fuel cell electric generating equipment.
- ii. Excess Generation shall be converted to the equivalent monetary value at the Company's Buy Back Service Classification No. 10 for a customer with farm waste electric generating equipment at its Non-Farm Location; or fuel cell electric generating equipment.

Any remaining monetary credits shall be allocated to each Satellite Account in accordance with the CDG Host designation pursuant to Section 3 as each Satellite Account is billed. The monetary credit applied to the CDG Host Account shall not exceed the current electric delivery charges, and if applicable, Company supply charges. The monetary credit applied to each Satellite Account shall not exceed the current electric delivery charges, and if applicable, Company supply charges or Consolidated Bill charges from the ESCO.

b. Volumetric Credits:

All other CDG Hosts and their Satellites shall receive volumetric credits in a month where the Host Account has Excess Generation :

- i. Any Excess Generation from the CDG Host shall be allocated to each Satellite Account in accordance with the Host Account designation pursuant to Section 3.
 - ii. As each Satellite Account is billed, excess kWh designated to the Satellite Account is converted to a monetary credit and applied to the per kWh charges on the Satellite Account and if applicable, Company supply charges or Consolidated Bill charges from the ESCO. Monetary credits are calculated using the per kWh rate for the Service Classification applicable to the Satellite Account. If a credit remains after applying to the Satellite Account, the credit is converted back to kWh based on the per kWh rate for the Service Classification applicable to the Satellite Account.
- c. If a monetary or volumetric credit remains after applying to the Satellite Account, the remaining credit shall remain on the Satellite Account until used. Satellite credits shall not expire at the end of an annual period.
 - d. Any unallocated credits or allocations retained at the CDG Host Account, shall be combined with the next month's volumetric or monetary credits to be applied to the CDG Host Account and Satellite Accounts, as applicable.
 - e. If the CDG Host Account was previously established as a net metered customer-generator or Remote Net Metered Host, any outstanding credits shall be included in the CDG Host's first bill pursuant to this Rule.
 - f. If the Company is unable to obtain an actual meter read for Host Accounts, the Company shall not be required to estimate Excess Generation output for determining credits to be applied to CDG Satellites.
 - i. CDG Host Accounts meters that are read every other month and shall be billed every other month.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program

Effective April 1, 2021, a CDG Host that is compensated pursuant to Rule 40.B Value Stack, may participate in the CDG Net Crediting Program as specified in this Rule 37.7.5. The CDG Net Crediting Program is an alternative payment and crediting methodology for CDG Hosts and CDG Satellites. Additional terms, conditions, definitions, and processes are set forth in the Community Distributed Generation Value of Distributed Energy Resources ("VDER" or "Value Stack") Procedural Requirements, including Net Crediting Manual ("CDG Value Stack Procedural Requirements") and posted on the Company's website. The Net Crediting Program allows CDG Satellites to receive one bill from the Company with a Net Member credit in lieu of receiving an additional separate bill from the CDG Host. The Company shall remit payment to the CDG Host as described herein.

A. Enrollment and Subsequent Changes

CDG projects participating in the CDG Net Crediting Program must meet the requirements as applicable to projects that are compensated pursuant to Rule 40.B and participated in Rule 37, CDG.

The CDG Host must enroll by executing a CDG Sponsor Net Crediting Agreement with the Company, at least sixty days prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under Rule 37 and the Company's CDG Value Stack Procedural Requirements. An existing CDG Host may enroll their project on a first-come, first-serve basis at least sixty days prior to requesting participation in the CDG Net Crediting Program. Participation in Net Crediting shall become effective with the first CDG Host bill sixty days after all necessary enrollment forms have been received and approved by the Company.

1. The CDG Host must be current on their utility account tied to the CDG Host project to be eligible and participate in Net Crediting.
2. The CDG Host shall provide the CDG Savings Rate for the project to the Company as part of the enrollment process. Following the initial enrollment in the Net Crediting Program, the CDG Host may submit a request to update the CDG Savings Rate no earlier than six months from the initial enrollment in the CDG Net Crediting Program and only during the months of March or September as set forth in the Company's CDG Value Stack Procedural Requirements.
 - a. The CDG Savings Rate may not be less than 5% for any CDG project and no greater than 100% minus the Utility Administration Fee rate of 1%. The CDG Savings Rate will apply equally to all CDG Satellites of a CDG Project, except for an Excluded Anchor Satellite, if applicable, as specified in 37.7.5.B. below.
 - b. The CDG Host may modify its CDG Savings Rate or its associated CDG Satellite accounts and/or the allocation percentages of its CDG Satellites no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.
 - c. Non-Value Stack CDG or RNM projects that opt into the CDG Net Crediting will forfeit any banked volumetric credits on the existing projects before commencing with the CDG Net Crediting program.

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: September 1, 2022
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GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

A. Enrollment and Subsequent Changes (Cont'd)

3. CDG Hosts may remove the CDG project from the CDG Net Crediting Program with 30 days' notice prior to the CDG Host Account's cycle billing date to which the modifications apply. A CDG project that has been previously been removed from the CDG Net Crediting Program may re-enroll following at least one year from when they were removed from the CDG Net Crediting Program and shall be subject to the required sixty days' notice to re-enroll a CDG project as specified in A.1 above.

a. CDG projects that have been removed from the CDG Net Crediting Program shall have the option to switch to Remote Crediting (Rule 50).

4. If a CDG Host transfers ownership of a CDG project participating in the Net Crediting Program, and the new CDG Host requests to continue the Net Crediting, the CDG Host shall re-enroll the CDG project on sixty days' notice as described above.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

B. Excluded Anchor Satellite

1. The CDG Host may choose to designate one large CDG Satellite to be an Excluded Anchor Satellite.
2. The Excluded Anchor Satellite shall be a demand-billed, non-mass market Company electricity customer with demand greater than or equal to 25kW in the last twelve months.
3. The Excluded Anchor Satellite may be identified on the CDG Net Credit Form when enrolling in Net Crediting at least 60 days prior to net crediting as an Excluded Anchor Satellite.
4. The CDG Host may change the designation of the Excluded Anchor Satellite as set forth in the CDG Value Stack Procedural Requirements.
5. The CDG Savings Rate shall not apply to the Applied Credits calculated for the Excluded Anchor Satellite.
6. The CDG Subscription Fee shall not apply to the Excluded Anchor Satellite.

C. Determination of CDG Satellite's Net Member Credits and CDG Subscription Fee

1. The Company shall calculate and apply a Net Member Credit to the participating CDG Satellite's bill.
2. The Net Member Credit shall be determined as follows:
 - a. For each billing period, the total credit allocated to the CDG Satellite shall be calculated pursuant to Rule 40.B.7.c, Value Stack Billing for net export injections. Banked Monetary Credits plus allocated Monetary Credits applied to electric charges ("Applied Credit") cannot exceed the CDG Satellite's electric bill.
 - b. If there is remaining Monetary Credits, the credit shall be banked on the CDG Satellite's account for the subsequent billing period.
 - c. The CDG's Satellite's Net Member Credit is equal to the Applied Credit times the CDG Savings Rate.
3. A CDG Subscription Fee will be calculated for all CDG Satellites, except the Excluded Anchor Customer, based on the Applied Credit each billing period. The CDG Subscription Fee is equal to the Applied Credit multiplied by a percentage of one minus the CDG Savings Rate.
4. A CDG Satellite, except an Excluded Anchor Customer, will receive a credit on their bill in the amount equal to the net credit.

D. Determination of CDG Host Payment

1. The CDG Host Payment will be the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable billing period less the Utility Administrative Fee. A Utility Administrative Fee is retained by the Company and is calculated using a discount rate of 1% of the total Applied Credit.
2. The Company will calculate the CDG Host Payment and remit to the CDG Host a separate payment via ACH or check payment.
3. If the CDG Host fails to pay any tariff charges on the CDG Host account for which a written bill has been rendered:
 - a. and arrears exceeds 30 days, then the Company shall withhold the CDG Host payment until the CDG Host has provided payment of the full amount in arrears.
 - b. and arrears exceeds 90 days, the Company shall remove the CDG Host from the CDG Net Crediting Program.

E. Account Closures /CDG Satellite Discontinuance of Participation

1. Refer to Section 9, Account Closures, or Section 10, Discontinuance of Participation in CDG Project of this Rule, as applicable. However, the final cash out at avoided cost applicable to Farm Waste and Farm Wind generating equipment pursuant to Section 9 does not apply.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

8. Annual Allocation Requests

- A. The CDG Host may choose to submit a one-time annual allocation request to fully distribute 100% of the credits to its members.
 - i. The CDG Host may furnish to the Company an Annual Allocation request no less than 15 days prior to the Host's bill period starting in the Anniversary Month. An allocation is effective for a one-time allocation only and supersedes any other allocation requests for the anniversary month bill period.
 - a. The most recent Allocation Request in effect prior to the Annual Allocation Request shall continue to be applied to all on-going allocations unless a new Subsequent Allocation request is submitted.

If an Annual Allocation Request is not received, allocations shall be made in accordance to the allocation request in effect.

CDG Host Account shall have up to a two-year grace period following the CDG Host's Anniversary month to distribute excess credits they retain at the end of the annual period. If the CDG Host Account has any annual credits remaining at the end of the two-year grace period, it shall forfeit a number of credits equal to the smallest number of credits that were in the CDG Host's account at any point during the grace period.

A CDG Host shall only be permitted to retain credits for distribution during the two-year grace period if those credits remain after the Host has distributed as many credits as practicable to Satellite Accounts, such that each Satellite Account's consumption in the final month of the annual period has been fully offset.

9. Account Closures

a. CDG Host Account

If a CDG Host closes their account:

- i. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- ii. The Company shall close an account on the earlier of:
 - (a) the first cycle date on which a reading is taken following the requested turn off date, or
 - (b) the date of a special reading, which a Customer may request at the charge specified in General Information Section 16.D.6.(c).
- iii. After a CDG Host account's final bill is rendered, any remaining banked credit shall not be transferred. However, a CDG Host with Farm Wind or Farm Waste electric generating equipment shall receive a final cash out at avoided cost.
- iv. A CDG Host with remaining banked credit at the end of the project term (i.e., 20 years for unused Phase One NEM volumetric credits or 25 years for unused Value Stack monetary credits) shall forfeit such credit.

b. CDG Satellite Account

If a CDG Satellite closes their account:

- i. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- ii. The Company shall close an account on the earlier of:
 - (a) the first cycle date on which a reading is taken following the requested turn off date, or
 - (b) the date of a special reading, which a Customer may request at the charge specified in General Information Section 16.D.6.(c).
- c. Once the CDG Satellite has closed their account and the final bill rendered, the banked credits that were remaining on the CDG Satellite's account shall be transferred back to the CDG Host Account.
- d. Credits transferred to the CDG Host Account shall be transferred with no adjustments for the Market Transition Charge ("MTC") or Community Credit ("CC"), if applicable.
- e. Once remaining credits have been transferred to the CDG Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the CDG Satellite Account for that CDG project.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

10. Discontinuance of Participation in CDG Project

If a CDG Satellite discontinues participation in a CDG project:

- a. The Company shall rely on the CDG Host's monthly allocation form to verify the CDG Satellite Account's participation in the CDG Host's project. When the Company processes the CDG allocation form, that no longer includes the CDG Satellite Account, the Company shall transfer any banked credits of the CDG Satellite Account to the CDG Host Account.
- b. Credits transferred to the CDG Host Account shall be transferred with no adjustments to the Market Transition Charge ("MTC") or Community Credit ("CC"), if applicable.
- c. Once remaining credits have been transferred to the CDG Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the CDG Satellite Account for that CDG project.
- d. A CDG Satellite Account that has been removed from a CDG Host project, but continues to maintain an active utility account, may not subscribe to a new CDG Host or CDG Net Crediting project until the billing period after which all banked credits are returned to the original CDG Host's Account.

11. Liability

Notwithstanding any other provision of this tariff, in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond the Company's control (including without limiting the generality of the foregoing executive or administrative rules or orders issued from time to time by State or Federal officers, commissions, boards or bodies having jurisdiction), or because of the ordinary negligence of the Company, its employees, servants or agents, the Company shall not be liable therefore.

12. One-Time Voluntary Switch:

A customer shall have the option to make a one-time voluntary switch from CDG to Remote Crediting (Rule 50).

The procedure to switch is detailed in the CDG VDER Procedural Requirements manual posted on the Company's website.

- a. A customer shall provide the Company with notice of their intent to switch and submit a switching certification and a CDG/Remote Crediting allocation form within 60 days of the new project's first account billing date or within 45 days of the existing project's last host account billing date.
 - (i) The project shall remain under the Value Stack compensation mechanism as described in Rule 40.B.10.
 - (ii) This switch shall be irrevocable.
- b. If a customer chooses to make a one-time voluntary switch, the component rates that were established on the customers eligibility date shall not change and all project elections shall carry forward.
- c. The compensation term shall be that of the program that a customer is switching into and begins on the project's original interconnection date.
- d. The customer shall retain any monetary credits banked on the host account; this shall be the starting balance of the new host bank.
- e. For projects switching to Remote Crediting and choose to receive compensation under the Environmental Component, the project owner shall contact the NYGATS administrator to initiate a transfer of the generator in NYGATS to the Company. Projects not already authorized in NYGATS must authorize the Company to register and report data through NYGATS.

GENERAL INFORMATION

38. Rate Adjustment Mechanism (“RAM”)

A. Applicable to all customers taking electric delivery service.

B. RAM Eligible Deferrals and Costs:

The RAM will contain two types of eligible deferrals and costs:

1. Type 1 - Customer Bill Credits

The RAM will collect the customer bill credits provided to customers as a result of Covid-19 over a five-year period beginning July 1, 2021. The annual collection will be determined by dividing the total amount to be collected by the number of years remaining in the five-year period.

2. Type 2 – Other RAM Eligible Deferrals and Costs

All RAM Eligible Deferrals and Costs shall be the difference between actual costs and the amounts provided for in base rates. RAM Eligible Deferrals and Costs shall include:

- a. Property Taxes;
- b. Major Storm Deferral Balances;
- c. Reforming the Energy Vision (“REV”) costs and fees which are not covered by other recovery mechanisms;
- d. Costs associated with the implementation of any Commission-ordered Electric Vehicle program which recovery is not provided for by any other cost recovery mechanisms; and
- e. Excess energy efficiency and heat pump costs (after first allocating the annual unspent funds to the amount).

All RAM revenues and deferrals are subject to reconciliation.

C. Annual RAM Recovery / Return Limits:

1. The annual RAM recovery / return shall be limited to \$21.0 million for electric and include Type 1 and Type 2:
 - a. Type 1 – Customer bill credits will be collected annually beginning July 1, 2021 (over a five year period).
 - b. Type 2 – Other RAM Eligible deferrals and costs will only be implemented once the limit is reached from netting the RAM Eligible Deferrals.

Any net RAM Eligible Deferral value in excess of the limit shall remain deferred and shall be carried forward to the calculation of the RAM limits in the following year. Any net regulatory asset or liability in excess of the Company’s annual RAM recovery / return limit shall be carried forward to the calculation of the RAM in the following year.

D. Deferred Regulatory Asset and Liability Balances:

The Company shall measure the deferred regulatory asset and liability balances for the items specified as Type 2 – Other RAM Eligible Deferrals and Costs (listed above) as of December 31 for each year. The RAM shall be identified in the Company’s respective RAM Compliance Filings submitted on March 31 of each year and shall be implemented in rates on July 1 of each year for collection over the 12 months from July 1 to June 30. The RAM Compliance Filings will include proposed RAM rates by service classification. Annually, the Company will submit RAM tariff statements effective on July 1.

GENERAL INFORMATION

38. Rate Adjustment Mechanism ("RAM") (Cont'd)

E. RAM Annual Recovery / Return Allocation:

The electric RAM annual recovery/ return amounts shall be allocated to service classifications based on the following:

1. Type 1 - Customer Bill Credits

Shall be recovered from those service classes which were eligible to receive the customer bill credits. Specifically, residential classes will be charged for the recovery of the residential bill credits and applicable nonresidential service classes will be charged for the recovery of the non-residential bill credits. The Company will not recover customer bill credits from service classes that are not eligible for the bill credits. Recovery will occur on a per kwh basis for non-demand customers, on a per kw basis for demand billed customers and on an As-Used Demand basis for Standby customers.

2. Type 2 – Other RAM Eligible Deferrals and Costs

- i. Deferrals and Costs identified in 38.B above as Type 2 (a.) through Type 2 (d.) Shall be allocated based on delivery service revenues and recovered on a per kWh basis for non-demand customers, on a per kW basis for demand billed customers, and per As-Used Demand basis for Standby customers.
- ii. Type 2 (e.) costs shall be allocated to service classes consistent with how the energy efficiency and heat pump program costs are allocated in base rates.

F. Carrying Costs:

The Company shall accrue carrying costs on Type 1 – Customer Bill Credits based on the Commission's authorized Other Customer Capital Rate.

The Company shall accrue carrying costs on Type 2 – Other RAM Eligible Deferrals and costs as follows:

1. During the period that the RAM is in effect for those deferral balances being specifically collected or returned, carrying costs shall be based on the Commission's authorized Other Customer Capital Rate.
2. RAM Eligible Deferral Balances not in the RAM tariff due to the annual dollar amount restrictions set forth above shall accrue carrying charges as follows:
 - i. Net Deferral amounts at or under the annual RAM recovery / return limits shall accrue carrying charges at the Other Customer Capital Rate;
 - ii. Additional deferral amounts over the annual RAM recovery / return limits, up to one year's worth of value, shall accrue carrying costs at the Other Customer Capital Rate; and
 - iii. Additional deferral amounts over the annual RAM recovery / return limits in Rule 38.F.2.i and 2.ii above, shall accrue carrying costs at the Company's respective Pre-Tax Weighted Cost of Capital, applied to the after-tax balance.

G. Filings and Statements:

1. A RAM Compliance Filing setting forth the RAM rates by Service Classification shall be filed with the Commission by March 31 on an annual basis.
2. A RAM Statement setting forth the RAM rates shall be filed with the Commission on not less 30 days' notice to be effective July 1. Such statement may be found at the end of this Schedule.

GENERAL INFORMATION

39. Clean Energy Standard (“CES”) Collection

- A. The Clean Energy Standard (CES) surcharge recovers costs associated with the procurement of Renewable Energy Credits (RECs) that supports generation by renewable sources; the purchase of Zero-Emission Credits (ZECs) that supports qualified zero-emissions nuclear power plants; the benefits and costs associated with the sale and transfer of Tier 1 VDER RECs as described in 39.A.i; and costs associated with Alternative Compliance Payment (ACPs), if applicable, for any shortage of RECs needed for the Company to meet its obligations from Non-Retail Access customers.

- i. The Company shall be permitted to sell excess Tier 1 VDER RECs to other New York investor-owned utilities at the same price the Company initially paid for the REC during the 2023 and 2024 CES compliance periods.

The Clean Energy Standard (CES) also recovers costs associated with: contracts signed by NYSERDA to maintain certain baseline renewable resources at risk of attrition (Tier 2 Maintenance Contracts); cash shortages that may have resulted from NYSERDA’s CES activities and cash shortages associated with the procurement of Offshore Wind generation (OSW) (Backstop Charges); through the System Benefits Charge (SBC) from all customers, including those customer with energy usage that is exempt from the SBC.

- B. RECs, ZECs, and if applicable, ACPs, shall be recovered from all Non-Retail Access customers through the Supply Adjustment Charge Component as set forth in General Information Rule 25.
- i. The costs for the RECs shall be recovered by dividing the annual REC costs, including an allowance for uncollectibles, by projected kWh sales and adding to the Supply Adjustment Charge Component.
- a. REC costs shall be reconciled on an annual basis.
- ii. The costs for the ZECs shall be recovered by dividing the annual ZEC costs, including an allowance for uncollectibles, by projected kWh sales and adding to the Supply Adjustment Charge Component.
- a. ZEC costs shall be reconciled on an annual basis.
- iii. The costs for the ACP shall be recovered by dividing the annual ACP costs, including an allowance for uncollectibles, by projected kWh sales and adding it to the Supply Adjustment Charge Component.
- a. ACP costs shall be reconciled on an annual basis.
- C. Tier 2 Maintenance Contracts and Backstop Charges shall be recovered from all customers through the System Benefits Charge as described in Rule 4.
- D. The Company shall file a CES Statement on not less than 15 days’ notice. The Statement shall set forth the surcharge rates as described in Rule 39.B. above.

PSC No: 120 - Electricity

New York State Electric & Gas Corporation

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Revision: 1

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GENERAL INFORMATION

40. Value of Distributed Energy Resources (“VDER”)

A. Phase One Net Energy Metering (“NEM”)

2. Available To

- a. Phase One NEM shall be available to a customer with a project interconnected on or after March 10, 2017 and to projects for which Standard Interconnection Requirement Step 4 (for projects 50kW or less) or Step 8 (for projects greater than 50kW), as applicable, was not completed by March 9, 2017 as follows:
 - i. Mass market on-site projects, defined as projects located behind the meter of a residential or small commercial customer that is not billed based on demand, that are not used to offset consumption at any other site and interconnected before the earlier of January 1, 2020, or a Commission order directing modification. Should a new compensation methodology not be in place by January 1, 2020, projects placed into service after that date would receive Phase One NEM compensation only until the new compensation methodology is implemented and shall then be transferred to the new compensation methodology;
 - ii. Large on-site projects, defined as projects located behind the meter of a non-residential customer that is billed based on demand or subject to the provisions of the Company’s Hourly Pricing Provision, that are not used to offset consumption at any other site for which 25% of interconnection costs have been paid, or a Standard Interconnection Contract has been executed if no such payment is required, on or before July 17, 2017;
 - iii. A project eligible for Remote Net Metering pursuant to the Special Provisions within Rule 22 for which 25% of interconnection costs have been paid, or a Standard Interconnection Contract has been executed if no such payment is required, on or before July 17, 2017; and
 - iv. A project eligible for Community DG pursuant to Rule 37 for which 25% of interconnection costs have been paid, or a Standard Interconnection Contract has been executed if no such payment is required, on or before July 17, 2017, up to a total rated generating capacity of 28 MW. In the event that capacity remains below this threshold which would accommodate a portion of an eligible project, the provisions of this Rule shall be available to the entire project.
 - v. A project that has a rated capacity of 750 kW or lower; is sited at the same location and behind the same meter as the electric customer whose usage the project is designed to off-set; and has an estimated annual output less than or equal to that customer’s historic annual usage in kWh. The project shall be interconnected before the earlier of January 1, 2020, or a Commission Order directing modification. Should a new compensation methodology not be in place by January 1, 2020, projects placed into service after that date would receive Phase One NEM compensation only until the new compensation methodology is implemented and shall then be transferred to the new compensation methodology;
- b. A customer that meets the requirements of 2.a.i or 2.a.ii above shall be permitted to include energy storage technology with their Facility and remain eligible for Phase One NEM as described therein.
- c. A change in ownership shall not affect the compensation term.

ISSUED BY: Jeremy Euto, Vice President - Regulatory, Binghamton, New York

GENERAL INFORMATION

40. Value of Distributed Energy Resources (“VDER”) (Cont’d)

A. Phase One Net Energy Metering (“NEM”) (Cont’d)

2. Available to (Cont’d)

- d. A customer (Host Account) that meets the requirements of 2.a.iii. or 2.a.iv. above shall be permitted to designate non-metered account(s) as a Satellite Account if the Host Account is being compensated based on a monetary crediting methodology under this Rule, Value of Distributed Energy Resources (“VDER”).
- e. A customer installing a Facility that does not meet the requirements above in 2.a or 2.b shall refer to Rule 40.B Value Stack.

3. Billing

- a. A customer that meets the requirements of 2.a. or 2.b Customer Project Qualification above, shall be permitted to elect their service classification from the options below once per year on the customer’s selected anniversary date. If a customer does not make a selection for their service classification, the default shall be the customer’s standard otherwise applicable service classification.
 - 1) The customer’s standard otherwise applicable service classification;
 - 2) Time-of-Use service classification, if available; or
 - 3) Standby Service
- b. If a customer selects Standby Service, the customer will no longer be eligible for Phase One NEM, however such customer will be compensated under Rule 40.B Value Stack.
- c. For each billing period during the term of the SIR Contract, the Company shall net the electricity (kWh) delivered to the customer with the electricity (kWh) supplied by the customer to the Company. The Company shall calculate credits in accordance with Billing provision in Rule 22 as applicable to the type of Facility, for a period of 20 years from the project’s in-service date, except for customers that are grandfathered pursuant to Rule 42 for Remote Net Metering. Such grandfathered customers shall be permitted to complete their term in accordance with the Special Provision.
- d. The value of any credit remaining on a customer’s account for excess electricity produced by the customer-generator (Facility) shall continue to carry over to the next monthly billing period. Any unused credits at the end of project’s compensation term shall be forfeited.
- e. A customer that meets the requirements of 2.b.i above, and is interconnected on or after January 1, 2022, may be subject to the Customer Benefit Contribution (“CBC”) Charge as described in Special Provision 1 of Rule 40.C.
 - 1) The credits for net injections shall not be applied to the Customer Benefit Contribution (“CBC”) Charge, if applicable, described in Special Provision 1 of Rule 40.C below.
- f. The Company shall calculate a customer’s bill based on the service classification option selected, less any credits calculated for net injections, plus the Customer Benefit Contribution (“CBC”) Charge, if applicable.
 - 1) Projects served under the Community Distributed Generation (“CDG”) or Remote Crediting programs, shall not be subject to the CBC Charge.

4. Compensation Term

- a. The compensation period will be in effect for 20 years from the project’s in-service date, except for customers that are grandfathered pursuant to Rule 42 for Remote Net Metering. Such grandfathered customers shall be permitted to complete their term in accordance with the Special Provision.
- b. A change in ownership shall not affect the compensation term.

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER"): (Cont'd)

B. Value Stack:

1. Eligibility (Cont'd):

- e. Expansion or Consolidation Projects Under Development
Interconnection applications for new projects sized between 2 MW and 5 MW, proposals to increase the capacity of existing projects, and proposals to increase the capacity of projects currently in the interconnection queue may be submitted to the Company. If Tranche limits are exceeded, Projects currently in the interconnection queue may not be consolidated until further consideration and action on proposed SIR changes has been taken by the Commission.
- f. A customer taking service pursuant to this Rule shall be required to install metering equipment capable of recording hourly net consumption and net injections.
- g. A DER Provider shall comply with the requirements set forth in the UBP-DER Addendum.

2. Applicable To:

The Value Stack shall be applicable to a customer interconnecting a Facility that is:

- (a) not eligible for Grandfathered Net Metering as set forth in the Remote Net Metering Rule 42; or
- (b) is not eligible for Phase One NEM as set forth in Rule 40.A; or
- (c) has made a one-time irrevocable election to opt-in to the Value Stack; or
- (d) participating in the Remote Crediting Program as described in Rule 50.

3. Definitions:

- a. "Mass Market Customer": a customer billed pursuant to a residential service classification or a small commercial customer that is not billed based on demand and whose electric generating equipment supplies energy to a single account behind the same meter as the generating equipment.
- b. "Net injection" or "Net hourly injection" is the amount of excess energy produced by a customer's electric generating equipment beyond the customer's usage that is fed back to the Company's system for a customer served under the Value Stack Tariff.
- c. "Renewable energy systems": systems that generate electricity or thermal energy through use of the following technologies: solar thermal, photovoltaics, on land and offshore wind, hydroelectric, geothermal electric, geothermal ground source heat, tidal energy, wave energy, ocean thermal, and fuel cells which do not utilize a fossil fuel resource in the process of generating electricity.

4. Compensation:

- a. The Company shall calculate the credit by multiplying the Value Stack Components, as applicable, by the net export net hourly injections to determine the total value of the credit.
 - i. The total value of the credit shall be applied to any outstanding charges on the customer's current electric bill, except for the Customer Benefit Contribution ("CBC") charge as described in Rule 40.B.7. Value Stack Billing.
- b. Projects that qualified for Value Stack compensation before July 27, 2018, excluding Community DG projects and any projects receiving the MTC Component, are allowed a one-time, irrevocable election to receive compensation for the Capacity Component, DRV Component, and LSRV Component (if applicable), that is applicable to projects that qualified on or after July 27, 2018. This election must be for all components applicable to the project.
- c. The credit values shall be set forth on the VDER-Cred Statement and filed on not less than one days' notice.

5. Cost Recovery:

- a. The Company shall recover the costs for the credits paid to customers for each of the Value Stack Components pursuant to Rule 25.B.1, Transition Charge and the Supply Adjustment Charge pursuant to Rule 25.C. Commodity Charge. The cost values shall be set forth on the VDER CR Statement and filed on not less than one days' notice.

Issued in compliance with Order in Case No. 18-E-0138, dated November 16, 2023.

GENERAL INFORMATION

40. Value of Distributed Energy Resources (“VDER”): (Cont’d)

B. Value Stack:

1. Eligibility:

- a. i. Any customer, residential or non-residential, who owns or operates electric generating equipment ("Facility"), as defined in Public Service Law (“PSL”) §66-j or PSL§66-l, limited in size as set forth in the table below:

Generator Type	Size Limit on System	
	Residential	Non-Residential
Solar	Up to 5 MW	
Micro-hydroelectric	Up to 5 MW	
Fuel Cell	Up to 5 MW	
Micro-CHP	10 kW	N/A
Farm Waste	Up to 5 MW	
Wind	Up to 5 MW	
Farm Wind	Up to 5 MW	

ii. A customer may install stand-alone energy storage equipment, including an electric vehicle (“EV”) charged using regenerative braking technologies, and vehicle-to-grid (“V2G”) or vehicle-to-grid integration (“VGI”) systems, or pair with a Facility when submitting an application for net metering pursuant to this Rule 40.B.

iii. Technologies eligible for the Clean Energy Standard Tier 1 (“CES Tier 1”), as listed in Appendix A of the Commission’s Order Adopting A Clean Energy Standard, issued on August 1, 2016 in Case 15-E-0302, including projects utilizing the same technology as defined for CES Tier 1 that were installed and operational by January 1, 2015, up to 5 MW in size, are eligible for compensation under this Rule as provided herein.

iv. To qualify for net metering, the Customer Generator must comply with the requirements of the generating size limits by complying with the following criteria:

- 1) Each project up to the respective generating size limit must be separately metered and separately interconnected to the utility grid.
 - 2) Each project must be located on a separate site which can be accomplished by a project having a separate deed or a unique Section-Block-Lot (SBL), a separate lease, and a separate metes and bounds description recorded via either a deed or separate memorandum of lease uniquely identifying each project.
 - 3) Each project must operate independently of other units.
- b. A customer taking service pursuant to Rule Nos. 22, 37, or Rule 40.A, Phase One NEM may opt to take service under this Rule. Such election shall be a one-time election and shall be irrevocable.
- i. An existing customer with a Facility that is sized less than 2 MW may have the capability, based on existing design and location, to increase the capacity of the Facility up to 5 MW. If an existing customer chooses to increase the size of its Facility, the Facility shall receive compensation pursuant to the Value Stack for the entire project.
- ii. An existing customer taking service pursuant to Rule 37, Community Distributed Generation, that chooses to increase the capacity of their Facility greater than 2 MW, up to 5 MW, may be assigned to a new Tranche as described in Rule 40.B.6.vi.
- c. A customer with an existing generator sized between 2 MW and 5 MW, that otherwise meets the eligibility requirements pursuant to PSL §66-j or PSL§66-l and herein, taking service pursuant to Service Classification No. 10; or receives compensation through bilateral contracts or the NYISO; may make a one-time irrevocable election to opt to take service pursuant to their otherwise applicable Service Classification and receive compensation for excess generation pursuant to this Rule, 40.B Value Stack.
- d. A customer with a generator that otherwise meets the eligibility requirements above in 1.a., and taking service pursuant to Service Classification No. 10, Buy Back Service, or Service Classification No. 11, Standby; may opt to receive compensation for net hourly injections pursuant to this Rule, 40.B. Value Stack To the extent the customer is not being compensated for such net hourly injections through the wholesale market.
- i. A customer taking service pursuant to Service Classification No. 11, Standby; and opting for Value Stack compensation, will be excluded from receiving the Reliability Credit under Service Classification No. 11.

GENERAL INFORMATION

40. Value of Distributed Energy Resources (“VDER”): (Cont’d)

B. Value Stack:

6. The Value Stack Components:

i. Value Stack Energy Component

The compensation for energy under this provision shall be calculated based on the Facility’s hourly metered net generation and the hourly energy price. The hourly energy price is the New York Independent System Operator (NYISO) Day-Ahead Market (DAM) Location Based Marginal Price (LBMP) for the Zone in which the Facility is electrically connected, adjusted for system losses. The DAM LBMP prices shall be the initial published DAM LBMP prices acquired by the Company. The credit for the Facility shall not be recalculated if such prices are modified by the NYISO at a later date.

1. A customer taking service pursuant to Rule 40.C.2 (WVS) is ineligible to receive the Value Stack Energy Component.

GENERAL INFORMATION

40. Value of Distributed Energy Resources (“VDER”): (Cont’d)

B. Value Stack:

6. The Value Stack Components: (Cont’d)

ii. Value Stack Capacity Component

1. The capacity component is determined from the NYISO’s monthly and spot capacity auctions for the capacity zone in which the customer-generator is electrically connected.
2. A customer-generator with intermittent generation (i.e., solar or wind electric generating equipment) shall select from the following Alternatives in Section 5. below for calculating the compensation of the Value Stack Capacity Component (“Capacity Compensation”). If no selection is made, the Capacity Compensation shall default to Alternative One. A customer-generator with dispatchable generation (i.e., all other electric generating equipment served under this Rule) shall be required to receive Capacity Compensation under Alternative Three.
3. A customer-generator with an eligible CES Tier 1 technology, as provided in 40.B.1.a.iii, shall be required to receive Capacity Compensation under Alternative Three.
4. A customer-generator with intermittent generation (i.e., solar or wind electric generating equipment) may submit a request for a change in compensation as follows:
 - a. compensation under Alternative 1 may switch to compensation under Alternative 2 or to Alternative 3;
 - b. compensation under Alternative 2 may switch to Alternative 3.
 - c. a project compensated under Alternative 2 may not switch to Alternative 1, and a project compensated under Alternative 3 may not switch to Alternative 1 or Alternative 2.
5. Should the NYISO adjust the New York Control Area peak to reflect capacity provided by customer generation, the Company shall adjust the Value Stack Capacity Component for each of the Alternatives accordingly.
6. Alternatives for Capacity Compensation
 - a. Alternative One:
 - i. For a customer that has met the eligibility requirements of Rule 40.B.1. and 40.B.2. above prior to July 27, 2018, the capacity credit shall be equivalent to the Capacity Component as calculated pursuant to Rule 25.C for Service Classification No 2 multiplied by the net export generation of the Facility for the billing period.
 - ii. A customer meeting the eligibility requirements of Rule 40.B.1. and 40. B.2. on or after July 27, 2018, the capacity credit compensation shall equal the monthly NYISO \$/kW-month auction price adjusted for the NYISO UCAP Effective Percentage and the NYISO Demand Curve Adder percentage multiplied by a capacity factor divided by the monthly kWh/kW multiplied by the net export generation of the Facility for the billing period. If the capacity factor is not known, the Company shall use a proxy capacity factor.

GENERAL INFORMATION

40. Value of Distributed Energy Resources (“VDER”): (Cont’d)

B. Value Stack:

6. The Value Stack Components: (Cont’d)

6. Alternatives for Capacity Compensation (Cont’d)

b. Alternative Two:

i. For a customer that has met the eligibility requirements of Rule 40.B.1. and 40.B.2. above prior to July 27, 2018, the capacity credit shall use the capacity costs calculated under Alternative One, however, the costs used to develop the credit are concentrated over the 460 peak summer hours: hours 14:00 through 18:00 each day in June, July and August. The resulting rate per kWh will be multiplied by the net export generation of the project in those 460 hours. The credit is assumed to be zero in the hours and months not identified herein. A customer-generator must elect Alternative 2 by May 1st to be eligible to receive Value Stack Capacity Component via this alternative beginning June 1st of that summer. A customer-generator electing Alternative 2 after May 1st will remain on Alternative One until April 30th of the following calendar year.

ii. A customer meeting the eligibility requirements of Rule 40.B.1. and 40.B.2. on or after July 27, 2018, the capacity credit shall be the sum of the 12 monthly NYISO \$/kW-month auction price adjusted for the NYISO UCAP Effective Percentage and the NYISO Demand Curve Adder percentage for the months that make up the previous NYISO Capacity Year (May through April) divided by the number of hours between Hour Beginning 2:00 PM and Hour Beginning 6:00 PM inclusively on non-holiday weekdays from June 24 to August 31. That number of hours will be either 240 or 245 depending on the year. The resulting credit per kwh will be multiplied by the net energy exported adjusted for the appropriate energy losses for the customer’s service class during the hours between Hour Beginning 2:00 PM and Hour Beginning 6:00 PM inclusively on non-holiday weekdays from June 24 to August 31.

c. Alternative Three: shall be equivalent to the customer-generator’s service classification capacity cost and shall be calculated by multiplying the customer-generator’s net energy export during the New York Control Area peak of the previous calendar year by the customer’s capacity component based on their Facility’s net export generation.

7. The Capacity Component shall be set forth on the VDER-Cred Statement.

8. A customer taking service pursuant to Rule 40.C.2 (WVS) is ineligible to receive the Value Stack Capacity Component.

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER"): (Cont'd)

B. Value Stack:

6. The Value Stack Components: (Cont'd)

iii. Environmental Component:

1. A Facility opting into the Value Stack shall receive the Environmental Component compensation for renewable attributes except for those that opt to receive compensation through the Renewable Portfolio Standard, including the Maintenance Tier, or through Tier 2 of the Clean Energy Standard.
 - a. Eligible CES Tier 1 projects built before 1/01/2015, shall not be eligible for Environmental Component compensation.
 - b. A Facility that does not meet the definition of a Renewable Energy System and qualifies for Value Stack compensation after August 13, 2019, shall not be eligible to receive the Environmental Component.
2. The compensation for the Environmental Component shall be fixed at the time the customer-generator pays 25% of the interconnection cost, or where no such payment is required, at the time the interconnection agreement is signed and calculated by multiplying the total net export generation for the billing period by the customer-generator onto the Company's system by the Environmental Component.
3. A customer receiving compensation for the Environmental Component shall transfer ownership of the RECs to the Company.
4. The Environmental Component shall be fixed for the term of compensation for the Facility. The Environmental Component shall be provided on the VDER-Cred Statement.

iv. Demand Reduction Value ("DRV") Component:

- a. A credit shall be provided for the Facility's potential contribution to the distribution system.
- b. For a customer that has met the eligibility requirements of Rule 40.B.1. and 40.B.2. above prior to July 27, 2018. DRV Component compensation shall not be provided for the portion of the project that receives a Market Transition Credit ("MTC") as described in Rule 40.B.6.vi.
 - i. The DRV Component shall be fixed at the time the customer-generator pays 25% of the interconnection cost, or where no such payment is required, at the time the interconnection agreement is signed and then fixed for a period of ten years from a project's date of interconnection. The DRV may be adjusted every three years from a project's date if interconnection for the rest of the project's term of compensation pursuant to this Rule.
- c. For a customer meeting the eligibility requirements of Rule 40.B.1. and 40.B.2. on or after July 27, 2018, the DRV credit shall be applied to all net energy exported between Hour Beginning 2:00 PM and Hour Beginning 6:00 PM inclusively on non-holiday weekdays from June 24 to September 15 and Hour Beginning 5:00 PM and Hour beginning 6:00 PM inclusively on non-holiday weekdays from January 1 to January 31. The credit per kwh will be determined by multiplying the \$/kW-year values established by the most recent Commission-approved marginal cost study by 10 years and dividing the result by the total number of hours between Hour Beginning 2:00 PM and Hour Beginning 5:00 PM and Hour Beginning 6:00 PM inclusively on non-holiday weekdays from June 24 to September 15 and Hour Beginning 5:00 PM and Hour beginning 6:00 PM inclusively on non-holiday weekdays from January 1 to January 31 for the previous 10 year period.
- d. As provided in Rule 35, Commercial System Relief Program ("CSRP"), a customer may make a one-time irrevocable election to participate in the CSRP instead of receiving DRV and LSRV compensation, regardless of when the project qualified for Value Stack compensation.
- e. The DRV Component shall be set forth on the VDER-Cred Statement.

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER"): (Cont'd)

B. Value Stack:

6. The Value Stack Components: (Cont'd)

- v. Locational System Relief Value ("LSRV") Component: A customer that interconnects their Facility in pre-identified locations shall receive a LSRV credit.
 - a. For a customer that has met the eligibility requirements of Rule 40.B.1. and 40.B.2. above prior to July 27, 2018:
 - i. A credit per kW shall be provided for the Facility's potential contribution to the distribution system if the Facility is interconnected on a circuit designated for LSRV compensation.
 - ii. Compensation for the LSRV Component shall be fixed at the time the customer-generator pays 25% of the interconnection cost, or where no such payment is required, at the time the interconnection agreement is signed and then fixed for a period of ten years from the time the project's date of interconnection.
 - iii. The LSRV may be adjusted every three years.
 - iv. The pre-identified locations and LSRV Component shall be set forth on the VDER-Cred Statement.
 - b. A customer meeting the eligibility requirements of Rule 40.B.1. and 40.B.2. on or after July 27, 2018, the LSRV compensation will be based on the project's response to Company-called events ("LSRV Call Events").
 - i. The compensation for each LSRV Call Event will be: i) the project's lowest hourly net kW injection during the LSRV Call Event; multiplied by ii) the project's applicable LSRV Call Component rate as set out below.
 - ii. The project's applicable LSRV Call Component rate (\$/kW) will be the project's applicable LSRV Component rate (\$/kW-mo.), as specified below, multiplied by 12 (months) and divided by 10 (annual minimum calls per year).
 - iii. The project's applicable LSRV Component rate (\$/kW-mo.) will be determined as the LSRV rate (\$/kW-mo.), as filed by the Company in a statement with the Commission in effect at the time of the project's Eligibility Date and will be fixed for the first ten (10) years from the project's interconnection date.
 - iv. For eligible CDG projects, the LSRV Component will be determined for each satellite by multiplying the project's applicable LSRV Component rate (\$/kW-mo.) by the satellite's allocation percentage in effect for the Billing Period as provided by the CDG project sponsor. The LSRV Component associated with any Unallocated Satellite Percentage will be banked for later distribution by the CDG host.
 - c. LSRV Call Events:
 - i. The Company will call LSRV Call Events at least 21 hours in advance of the start of the LSRV Call Event.
 - ii. Each LSRV Call Event will be between one (1) hour and four (4) hours in duration.
 - iii. LSRV Call Events will generally be within the hours of 2:00 pm to 7:00 pm on non-holiday weekdays between June 24 and September 15. The Company reserves the right to call LSRV Call Events outside of those hours if system needs warrant.
 - iv. The Company reserves the right to combine LSRV areas into up to four (4) LSRV groups with different four (4)-hour call windows, each of which may be called independently based on sub-system load conditions.
 - v. The Company will call a minimum of ten (10) LSRV Call Events per year for each LSRV area or group but may issue more depending on system needs. Compensation level for all calls will remain at the same level regardless of frequency.
 - d. As provided in Rule 35, Commercial System Relief Program ("CSR"), a customer may make a one-time irrevocable election to participate in the CSR instead of receiving DRV and LSRV compensation, regardless of when the project qualified for Value Stack compensation.

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER"): (Cont'd)

B. Value Stack:

6. The Value Stack Components: (Cont'd)

vi. Market Transition Credit ("MTC"):

- a. The MTC shall only apply to CDG projects with an eligibility date on or before July 26, 2018, The MTC shall be applicable to the Mass Market customers opting in to Value Stack and to projects participating in Community DG pursuant to Rule 37 with Mass Market subscribers. The MTC shall be applied to the mass market allocation of their net energy export as determined by the project's Tranche assignment and the customer's Service Classification. Non-mass market subscribers may receive a MTC that has been reallocated by a CDG Host Account pursuant to Rule 37.
 - i. For Community DG projects, the MTC Component shall be calculated for each individual mass market satellite customer by multiplying: a) the sum of the project's total net injections for the billing period (kWh), b) the MTC Component rate applicable to the project's assigned tranche and satellite's service class, and c) the satellite's allocation percentage in effect for the Billing Period as provided by the CDG Host. The CDG Host will not be allowed to bank any MTC components related to Unallocated Satellite Percentages. CDG projects receiving MTC compensation cannot opt-into receiving the Community Credit component, as described below.
 - ii. For a CDG project that includes a dispatchable high capacity factor resource, *i.e.*, a Fuel Cell, and qualified for Value Stack compensation after August 13, 2019, any applicable MTC shall be adjusted by a factor of 0.16. A CDG project with a dispatchable high capacity factor resource, *i.e.*, a Fuel Cell, and qualified for Value Stack compensation on or before August 13, 2019 shall receive an unadjusted applicable MTC.
- b. A residential customer installing generation greater than 25 kW in size for Solar and Micro-hydroelectric, or 10 kW in size for Fuel Cell and Wind; or a customer-generator that is installing an eligible CES Tier 1 technology as provided in 40.B.1.a.iii, shall not be eligible for MTC compensation.
- c. The MTC shall be fixed for the term of compensation for a project.
- d. A project shall not receive the MTC on the same portion of the project that receives a credit for the DRV Component.
- e. The MTC shall be set forth on the VDER-Cred Statement.

vii. Community Credit

- a. The Community Credit Component shall only apply to Community DG projects that meet the further requirements specified herein.
 - i. Community Credit Tranche 1 rate shall be available to a Community DG project that qualified for Value Stack Compensation after July 26, 2018. The available capacity for Community Credit Tranche 1 is up to 125 MW.
 - ii. Community Credit Tranche 2 rate shall be available to a Community DG project that qualified for Value Stack compensation and there is no available capacity for Community Credit Tranche 1. The available capacity for Community Credit Tranche 2 shall be determined by reallocating capacity from Community DG projects that qualified for the MTC or Community Credit Tranche 1 and were cancelled subsequent to the creation of Community Credit Tranche 1. Reallocation of capacity to Community Credit Tranche 2 shall continue until November 1, 2020 or until the Community Credit Tranche 2 is full and cancellations have slowed such that there are no cancellations for one calendar month.
- b. The Community Credit Component will apply only to CDG project's satellites and those mass market customers who opt into the VDER Value Stack compensation per Rule 40.B.6.ii.6.

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER"): (Cont'd)

B. Value Stack:

6. The Value Stack Components: (Cont'd)

vii. Community Credit (Cont'd):

- c. The Community Credit Component shall be calculated by multiplying: a) the sum of the Community DG project's total net injections for the billing period (kWh), and b) the project's applicable Community Credit Component rate based on the project's assigned Tranche as set forth in the VDER-Cred Statement, in effect at the time of the project's Eligibility Date.
- i. For a CDG project that includes a dispatchable high capacity factor resource, *i.e.*, a Fuel Cell, and qualified for Value Stack compensation after August 13, 2019, any applicable Community Credit shall be adjusted by a factor of 0.16. A CDG project with a dispatchable high capacity factor resource, *i.e.*, a Fuel Cell, and qualified for Value Stack compensation between July 26, 2018 and on or before August 13, 2019 shall receive an unadjusted applicable Community Credit.
- d. The project's Community Credit rate will be fixed for the first twenty-five (25) years following the project's interconnection date.
- e. The CDG Host shall not be allowed to bank any Community Credit Components related to unallocated Satellite Percentages.

viii. Non Mass Market Community Credit

The Non Mass Market Community Credit shall only apply to Non Mass Market satellites of CDG projects which are eligible to receive MTC for Mass Market satellites as detailed in 40.B.6.vi (Tranches 1 through 4). This credit shall begin starting with the first billing cycle for that project in which the entire billing period is after July 31, 2020. The Non Mass Market Community Credit shall not apply to excess generation banked prior to July 31, 2020.

- i. The project's Non Mass Market Community Credit rate will be fixed for the first twenty-five (25) years following the project's interconnection date.
- ii. Non Mass Market Community Credit Component rate as set forth in the VDER-Cred Statement, in effect at the time of the project's Eligibility Date.

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER"): (Cont'd)

B. Value Stack: (Cont'd)

7. Value Stack Billing

- i. In a billing period, the sum of the credits as calculated pursuant to Section 4, shall be used to determine the customer's total credit for the month.
- ii. For each hour, the customer's usage and its generation are netted within the hour.
- iii. Where a customer-generator consumption has exceeded the Facility's generation export within an hour, the customer-generator shall be billed at the rates specified in the customer's otherwise applicable Service Classification, plus the Customer Benefit Contribution ("CBC") Charge if applicable, as described below in Special Provision 1 of Rule 40.C.
 1. A Mass-Market Customer that is interconnected on or after January 1, 2022, shall be subject to the applicable Customer Benefit Contribution ("CBC") Charge.
 2. If a customer selects Standby Service, the Company shall calculate the bill for consumption in accordance with the requirements set forth in the Standby Service Classification and will not be subject to the Customer Benefit Contribution ("CBC") Charge.
- iv. Where generation export has exceeded the customer-generator's consumption within an hour, the Value Stack Compensation credit shall be calculated by multiplying the excess generation by the applicable Value Stack components to determine the total credit.
 1. If the Company is unable to obtain an actual meter read for the Facility, the Company shall not be required to estimate Excess Generation output for determining credits.
 2. The credit shall be applied to the current utility bill for any outstanding delivery (and supply, if applicable) charges as described below. If the current month's Value Stack credit plus any prior period Value Stack Credit exceeds the current bill, the remaining credit will be handled as follows:
 - a. Mass Market Customers and Large On-Site Customers
 1. The credit will be carried forward to the succeeding billing period.
 - b. Remote Crediting Customers
 1. The credit applied to each account (*i.e.*, Host Account and Satellite Account) shall not exceed the current electric charges. Any remaining unused credits for that account will be banked and carried over on the account for its next billing period.
 2. Banked credits remaining on the Remote Crediting Host account at the end of the billing period will be available to offset the Remote Crediting Host's electric charges on its next bill, or for future host bank disbursement to participating satellite accounts according to instructions provided to the Company in Rule 50.B.4.c.iv.
 3. Satellite Account
 - a. If a Remote Crediting Satellite participates in multiple Remote Crediting projects, the Value Stack credit applied to the Satellite account's current electric charges will be determined on a prorata basis based on each Remote Crediting Host's total allocation to the Satellite in the month, inclusive of Host bank allocation, applied to the Satellite's current electric charges.
 - b. If a Remote Crediting Satellite is a customer-generator, any on-site generation credits will be applied to the satellite's bill before applying any credits from the Remote Crediting project.

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER"): (Cont'd)

B. Value Stack: (Cont'd)

7. Value Stack Billing

iv. (Cont'd)

c. Community DG

1. For CDG accounts, the credit shall be applied to electric charges on the CDG Satellite Account(s) based on the percentage allocation process set forth in Rule 37.
2. In each billing period, any unallocated kWh credits or kWh credits that have been designated to remain on a CDG Host Account shall be converted to a monetary value based on the sum of the Value Stack credit components as described this Rule; however, the Market Transition Credit is not applicable for the conversion of these credits (the "Banked Monetary Credit").
3. The Banked Monetary Credits shall carried forward on the CDG Host Account to the succeeding bill period until the earlier of:
 - a. CDG Host notifies the Company of the subscribers to receive the Banked Monetary Credits and the amount of credits to be allocated to the subscriber, regardless of the allocation specified in Rule 37.3; or
 - b. The two-year grace period has expired.
4. If a monetary credit remains on any CDG Satellite Account, the remaining credit will be carried forward on that CDG Satellite Account to the succeeding billing period.
5. After a final bill is rendered on a CDG Host Account, any remaining credit shall not be cashed out, refunded, or transferred. CDG Satellite Accounts shall no longer receive credits after the final bill is rendered on the account of its CDG Host. If a credit remains on a CDG Satellite Account after its final bill is rendered, such credit shall be forfeited as set forth in Rule 37.9.d.

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER") (Cont'd)

B. Value Stack: (Cont'd)

7. Value Stack Billing (cont.)

v. Storage

- a. A customer participating in the Value Stack provision with stand-alone storage that is sized to exceed 115% of their peak consumption load and taking supply service with the Company, shall be charged for consumption at the Mandatory Hourly Price (MHP) rate.
 - i. A customer with stand-alone storage that is sized not to exceed 115% of the customer's peak consumption load shall have the option to be charged at the Hourly Pricing rate.
- b. A customer with stand-alone storage, participating in the Value Stack provision and taking service with an ESCO; the electricity supply charge shall be equal to the sum of the hourly metered usage multiplied by the NYISO Day-Ahead Market.
- c. For customers taking service under this Rule who pair energy storage systems with eligible electric generating equipment ("Hybrid Facility"), the Company shall calculate the Capacity Component Credit, the Environmental Component Credit, and the Market Transition Credit ("MTC") pursuant to the rules set forth below. All other Value Stack components, including Energy Component Credit, DRV Component Credit, and LSRV Component Credit, shall be calculated as specified in Rule 40.B.6. Consistent with Rule 40.B.6 Environmental Component Credit shall only be provided where the electric generating equipment is eligible to receive Tier 1 RECs, MTC shall only be provided for eligible customers and consistent with the MTC rate applicable to the customer, and Capacity Component shall be calculated based on Alternative One, Alternative Two, or Alternative Three based on customer election.
- d. Customers operating Hybrid Facilities shall have the opportunity to elect one of the four compensation methodologies described below in d.i, d.ii, d.iii, or d.iv. Customers shall make this election at the same time they select a capacity compensation methodology in accordance with Rule 40.B.6. The default option, if no other election is made by the customer, is compensation methodology d.iv below.

Customers operating Hybrid Facilities shall have a one-time option to change their initial election of 2.a or d.ii to election of d.iii. This one-time election may be made at any time following the initial election but shall not become effective until such time that any required metering or telecommunications is installed.

- i. Storage Exclusively Charged from Eligible Generator – For customers operating Hybrid Facilities who are able to demonstrate the energy storage system charges exclusively from the qualified electric generating equipment, the Value Stack Capacity Alternative One or Alternative Two Component Credit (if elected), Environmental Component Credit, and MTC shall be based on net hourly injections to the Company's electric system as measured at the Company's meter located at the point of common coupling ("PCC") and calculated as described in Rule 40.B.6 Value Stack Capacity Component Alternative Three Credit (if elected) shall be calculated as specified in Rule 40.B.6. Customers shall be responsible for any work required to accommodate the appropriate controls and/or multiple meter configuration. The utility may require two Company time synchronized revenue-grade meters if the energy storage system and electric generating equipment share a common inverter or three Company time-synchronized revenue-grade meters if the energy storage system and electric generating equipment each have a separate inverter.

GENERAL INFORMATION

40. Value of Distributed Energy Resources (“VDER”) (Cont’d)

B. Value Stack: (Cont’d)

7. Value Stack Billing (cont.)

v. Storage (Cont’d)

- ii. Storage Controls Configuration – For customers operating Hybrid Facilities who install appropriate controls to ensure that net hourly injections are only made with the energy storage not in a charging or discharging mode from the electric grid, the Value Stack Capacity Component Alternative One or Alternative Two Credit (if elected), Environmental Component Credit, and MTC shall be based on net hourly injections to the Company’s system and calculated as described in Rule 40.B.6. Value Stack Capacity Component Alternative Three Credit (if elected) shall be calculated as specified in Rule 40.B.6. Customers shall be responsible for any work required to accommodate the appropriate controls and/or multiple meter configuration. This controls demonstration may require separate Company revenue grade interval meter(s) and appropriate telemetry on the AC side of the applicable inverter(s) and explicit Company acceptance.
- iii. Storage Import Netting Configuration - For customers operating Hybrid Facilities with a separate Company revenue grade interval meter and appropriate telemetry on the AC side of the inverter of the Hybrid Facility and whose storage configuration does not meet the requirements of d.i or d.ii above, the Value Stack Capacity Component Alternative One Credit (if elected), Environmental Component Credit, and MTC shall be determined by reducing the net hourly injections, as measured at the Company’s meter located at the Customer’s PCC with the Company’s system, by the monthly consumption of energy recorded on the Company’s separate Hybrid Facility meter. Value Stack Capacity Component Alternative Two Credit (if elected) shall be determined by reducing the net hourly injections during applicable hours, as measured at the Company’s meter located at the Customer’s PCC with the Company’s system, by the monthly consumption of energy recorded on the Company’s separate Hybrid Facility meter. Value Stack Capacity Component Alternative Three Credit (if elected) shall be calculated as specified in Rule 40.B.6.
- iv. Storage Default Configuration - For all other Customers with energy storage paired with electric generating equipment, the Value Stack Capacity Component Alternative One or Alternative Two Credit (if elected), Environmental Component Credit, and MTC shall be based on netting of all metered consumption and injections at the PCC over the applicable billing period. Value Stack Capacity Component Alternative Three Credit (if elected) shall be calculated as specified in Rule 40.B.6.
- v. The Customer is responsible for any costs associated with additional metering requirements and telemetry as described in Rule 3.

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New York State Electric & Gas Corporation
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GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER") (Cont'd)

B. Value Stack: (Cont'd)

8. Account Closure

- a. The Company shall require an actual meter reading to close an Account pursuant to this Rule.
- b. The Company shall close an account on the earlier of: (a) the first cycle date on which a reading is taken following the requested turn off date, or (b) the date of a special reading, which a Customer may request at the charge specified in General Information Rule 16.D.6.(c).
- c. After the customer's final bill is rendered, any remaining credit shall not be transferred, except for a CDG Satellite Account. Such credit shall be returned to the CDG Host Account.

9. Term

The Term of Service for a Facility pursuant to the General Information Rule, Value Stack, shall be 25 years from the Facility's in-service date.

10. One-Time Voluntary Switch Between Community Distributed Generation and Remote Crediting

A customer shall have the option to make a one-time voluntary switch from Remote Crediting to CDG (including CDG Net Crediting), or from CDG (including Net Crediting) to Remote Crediting. The procedure to switch is detailed in the CDG VDER Procedural Requirements manual posted on the Company's website.

- a. The project shall remain under the Value Stack compensation mechanism.
- b. If a customer chooses to make a one-time voluntary switch, the component rates that were established on the customers eligibility date shall not change and all project elections shall carry forward.
- c. The compensation term shall be that of the program that a customer is switching into and begins on the project's original interconnection date.
- d. The customer shall retain any monetary credits banked on the host account; this shall be the starting balance of the new host bank.

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER") (Cont'd)

C. Special Provisions:

1. Customer Benefit Contribution ("CBC") Charge

- a. Applicable to a non-demand customer that installs on-site solar generating equipment, on-site wind generating equipment or micro-hydroelectric generating equipment as specified below:
 - i. A customer that installs new electric generating equipment as defined above and is interconnected on or after January 1, 2022.
 - a. The CBC shall be applied to any subsequent capacity expansions for new systems interconnected on or after January 1, 2022.
 - ii. A customer that completely replaces an electric generating system as defined above that was interconnected before January 1, 2022, after the system replacement is completed.
 - a. The CBC shall be applied to any subsequent capacity expansions for replaced systems.
- b. A customer shall be subject to the applicable CBC Charge for the customer's Compensation Term regardless of the customer's methodology of compensation pursuant to Rule 40.A - Phase One NEM or Rule 40.B - Value Stack.
- c. A customer that was interconnected prior to January 1, 2022, that incrementally expands the capacity of their electric generating system shall not be subject to the CBC on their original capacity or the expanded incremental capacity.
- d. Development of the CBC:
 - i. A per installed kW rate for each service class is calculated to collect applicable costs of the following programs: Clean Energy Fund, Low Income Program and Energy Efficiency Program.
 - ii. The per installed kW rate will be determined for each type of compensation methodology *i.e.* Phase One NEM or Value Stack.
- e. The CBC Charge will be determined on each bill by multiplying the applicable monthly CBC, set forth on the CBC Statement, by the nameplate capacity rating in kW Direct Current of the Customer's electric generating equipment. For a customer that installed energy storage technology with their electric generating equipment, the energy storage technology shall not affect the amount of kW included in the CBC Charge calculation.
- f. The CBC Charge shall be updated annually.

The CBC Charges shall be set forth on the Customer Benefit Contribution ("CBC") Statement which shall be filed with the Commission on not less than 15 days' notice to be effective on January 1 of each year.

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER") (Cont'd)

C. Special Provisions (Cont'd):

2. Wholesale Value Stack ("WVS")

- a. A customer taking service under Rule 40.B Value Stack that elects to export to NYISO, either directly or through aggregation, must take service under WVS.
 - i. In order to take service under WVS, an existing Value Stack customer must make this election by August 1st to be effective May 1st of the following year.
 - ii. A customer who is not yet interconnected to the Company's distribution system that is eligible for Value Stack compensation pursuant to Rule 40.B and also elects to participate in WVS, must notify the Company at the time of the customer's Value Stack eligibility date to receive compensation under WVS at time of successful enrollment with NYISO.
- b. A customer that elects to export to NYISO, shall receive energy and capacity compensation directly from NYISO in lieu of receiving the Value Stack Energy Component, Rule 40.B.6.i, and the Value Stack Capacity Component, Rule 40.B.6.ii.
 - i. A customer taking service under WVS shall be eligible for the following Value Stack Components, as applicable: Environmental Component, Demand Reduction Value ("DRV") Component, Locational System Relief Value ("LSRV") Component, Market Transition Credit ("MTC"), Community Credit, and the Non-Mass Market Community Credit (Rule 40.B.6.iii through Rule 40.B.6.viii).
- c. A WVS customer must adhere to the metering requirements set forth in Rule 40.B.1.f.
- d. A WVS customer must also take service under the Company's Wholesale Distribution Service ("WDS") tariff on file with the Federal Energy Regulatory Commission.
- e. A WVS customer returning to Rule 40.B Value Stack shall only be eligible for the Value Stack Capacity Component for which they were previously compensated under. In addition, such customer shall retain the same Value Stack Eligibility Date as well as any Value Stack component rates locked in at the time of previous Value Stack eligibility.

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41. Reserved for Future Use

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42. Remote Net Metering

A customer may participate in Remote Net Metering (“RNM”) as provided herein.

A. Definitions

Host Account: The customer meter where the generating equipment is located and interconnected with the Company’s distribution system, and is eligible for net metering pursuant to this Rule.

Satellite Accounts: Additional meters designated by the Host Account, with the same name on the account, for the application of excess net metering credits.

Net-Metered Generation Facility: A generation facility eligible for net metering in conformance with PSL 66-j or 66-1, limited in size consistent with those statutes, located behind the meter of the Host Account and attached to a load served under one of the Company’s service classifications.

Excess Generation: the electricity (kWh) supplied by the customer to the Company during the billing period exceeds the electricity (kWh) supplied by the Company to the customer. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, the excess is calculated and maintained for each peak.

B. Customer Requirements and Eligibility

1. To qualify for RNM, the Net-Metered Generation Facility must be:

- a. Residential customer who own or operate a farm operation (as defined by Agriculture and Markets Law §301(11)), and locate solar photovoltaic equipment on property the customer owns or leases as defined in Rule 22.D.1; or
- b. A Non-Residential Solar Electric Net-Metered Generation Facility, as defined in Rule 22.D.1; or
- c. A Farm Waste Net-Metered Generation Facility, as defined in Rule 22.D.1; or
- d. A Micro-Hydroelectric Net-Metered Generation Facility, defined as one who owns or operates micro-hydroelectric generating equipment with a rated capacity conforming with Rule 22.D.1 and used at a “farm operation” as defined by Agriculture and Markets Law §301(11); or
- e. A Non-Residential Micro-Hydroelectric Net-Metered Generation Facility, as defined in Rule 22.D.1; or
- f. A Residential Fuel Cell Net-Metered Generation Facility as defined in Rule 22.D.1, who operate a farm operation as defined by Agriculture and Markets Law §301(11), or a Non-Residential Fuel Cell Net-Metered Generation Facility, as defined by Rule 22.D.1; or
- g. A Non-Residential Farm Waste Net-Metered Generation Facility as defined in Rule 22.D.1.
- h. A Residential or Non-Residential customer who owns or operates stand-alone storage, subject to the requirements described in Rule 40.B.

2. A Net-Metered Generation Facility, who qualifies per the above, may designate all or a portion of their excess net metering credits generated by such equipment, after application to the Host Account, to Satellite Accounts at any property owned or leased by such customer within the same load zone as determined by the Locational Based Market Price. The Company reserves the right to obtain proof that all accounts are held by the qualifying customer.

3. The aggregated rated capacity of generating equipment of Host Account(s) designated to serve a Satellite Account plus the rated capacity of net-metered generating equipment on the Satellite Account, if any, cannot exceed 2,000 kW, as applicable to RNM pursuant to General Information Rules 22.D.1, or 40.A, and cannot exceed 5,000 kW, as applicable to RNM pursuant to General Information Rule 40.B.

GENERAL INFORMATION

42. Remote Net Metering (Cont'd)

C. Host Account

1. A customer may designate more than one Host Account and shall provide an application for each Host Account.
2. The Host Accounts must be held by the same customer and have an identical billing name, on property owned or leased by such customer.
3. A Host Account cannot be a Satellite Account.
4. The Host Account must designate their satellite accounts and the portion of their net metering credits designated to these Satellite Accounts when submitting their initial remote net metering application.
5. After the initial application, the Host Account may designate additional Satellite Accounts or delete existing Satellite Accounts as specified in Section E, Enrollment and Change Period.
6. Grandfathering Requirements
 - a. By June 1, 2015, if any of the following criteria were met, such project shall be allowed to retain monetary crediting pursuant to Section F:
 - i. Projects that have been interconnected; or
 - ii. Projects for which developers have submitted a completed preliminary interconnection application to the Company; or
 - iii. Projects that have completed applications for grants through Program Opportunity Notices ("PONs") 2112, 2439, 2589, 2860, and 2956 conducted by the New York State Energy and Research Development Authority ("NYSERDA"); or
 - iv. Projects that have completed applications for grants in NYSERDA's NY-Sun MW Block Program for projects sized more than 200 kW; or
 - v. Projects that a State, municipal, district, or local governmental entity has solicited through a Request for Proposals or a Request for Information issued in conformance with applicable law; or
 - vi. A project must enter service by the date specified in the NYSERDA PONs or NY-Sun MW Block Program for projects sized at more than 200 kW, or another governmental entity process, as that date may be extended by the relevant governmental entity, or by December 31, 2017, if no date is specified by a governmental entity
 - b. If a project that meets the criteria in Section 6.a.iii or 6.a.iv. above is unable to meet the in-service date of December 1, 2017, and meets the following criteria and conditions, the project shall be allowed to retain monetary crediting as described in Section F., as long as the following four criteria are met:
 - i. The project developer has provided payment, prior to March 1, 2016, for a Coordinated Electric System Interconnection Review (CESIR) study;
 - ii. The project developer has demonstrated that, upon receipt of the CESIR study results, the estimated construction schedule indicates a final authorization to interconnect on or after July 1, 2017;
 - iii. The project developer has made payment, of the full or at least the first installment amount for the estimated utility interconnection costs necessary to support the project, by January 31, 2017; and,
 - iv. The project developer has, by November 30, 2017, submitted an affidavit from the engineer of record for the project on the end-use customer's side of interconnection point has been physically constructed and that the only remaining requirements to interconnect the equipment depend upon utility, such as remaining utility construction and/or authorization to interconnect.
 - c. If the criteria and conditions as set forth in this Section are met, the monetary credit will remain in effect for a term of twenty-five (25) years from the later of the date of April 17, 2015 (issue date of Commission's Order in Case 14-E-0151 and 14-E-0422) or the project in-service date. An extension of this period may be obtained upon a showing that the contractual arrangement for financing a particular project cannot be accomplished within a 25 year period, and a longer period is necessary.

GENERAL INFORMATION

42. Remote Net Metering (Cont'd)

D. Satellite Accounts

1. Must be held by the same customer and have an identical billing name, on property owned or leased by such customer.
2. The Company reserves the right to investigate/obtain proof that all designated accounts are held by the customer.
3. A Satellite Account may have more than one Host Account. The name plate rating of the Net Metered Generation Facility(ies) designated as Host Accounts to be applied to a Satellite Account shall not exceed 2 MW in aggregate, including the name plate rating of a Net Metered Generation Facility located at the Satellite Account.

E. Enrollment and Change Period

After the customer's initial application, the enrollment and change period is from January 1 through January 31. Any changes shall be effective with the initial Host Account billing after March 1. Remote Net Metering customers may submit a change request form annually during the change period to designate additional Satellite Accounts or delete existing active Satellite Accounts. The customer may also change the portion (percentage) of excess to remain at the Host Account once per year.

F. Calculation and Application of Net Metering Credits

1. In the event that the amount of electricity supplied by the Company during the billing period exceeds the amount of electricity provided by the Host Account's Net Metered Generation Facility to the Company during the same billing period, the Company shall charge the Host Account at the rates provided in the otherwise applicable service classification of the Host Account for the net amount of electricity supplied by the Company.
2. If more than one Host Account is designated by the customer and there is excess generation from more than one Host Account, the Company shall apply credits from the Host Accounts to the Satellite Accounts in the following order:
 - a. Grandfathered or Demand-billed Host Accounts participating in Farm Waste (Facility Located and Used for Farm Operations) or Farm Wind Electric Service Options;
 - b. Grandfathered or Demand-billed Host Accounts participating in Non-Residential Solar, Non-Residential Wind, or Micro-Hydroelectric Service Options;
 - c. Host Account participating in Fuel Cell or Farm Waste (Facility Located and Used at Premises) Service Options;
 - d. Any other non-demand-billed Host Accounts.
3. Application of Monetary Credits:
 - a. The credit applied to each Host Account shall not exceed the current electric delivery charges, and if applicable, Company supply charges.
 - b. Except for a Host Account with Fuel Cell and non-farm based Farm Waste generators, a Host Account that is entitled to retain monetary crediting, may opt out to select volumetric crediting if they submit a statement in writing to the Company. The Company will acknowledge the request for volumetric crediting to the Host Account. When a preference for volumetric crediting is not stated, the Company will assume that monetary crediting adheres if there is an entitlement to Grandfathering in accordance with this Rule.

GENERAL INFORMATION

42. Remote Net Metering (Cont'd)

F. Calculation and Application of Net Metering Credits (Cont'd)

3. Application of Monetary Credits (Cont'd):

- i. Host Account:
 - a. In a month where the Host Account has Excess Generation, the Excess Generation shall be converted to the equivalent monetary value at the per kWh rate applicable to the Host Account's service classification and shall first be applied to any outstanding charges on the Host Account's current electric bill, except for customers with Fuel Cell generation facilities and non-farm based Farm Waste generators.
 - b. Customers with Fuel Cell generation facilities and non-farm based Farm Waste generators: In a month where the Host Account has Excess Generation, the Excess Generation shall be converted to the equivalent monetary value at the Company's Service Classification No.10 Buy Back Service Energy only rate. The remote net metering credit shall first be applied to any outstanding charges on the Host Account's current electric bill
- ii. Satellite Accounts:
 - a. Any remaining monetary credit from the Host shall be allocated to each Satellite Account in accordance with the Host Account's designation on the application form, including any changes identified in the Change Period.
 - b. The portion designated for the Satellite Accounts shall be applied to the Satellite Account bill as each subsequent Satellite Account bill is calculated.
 - c. If a monetary credit remains after applying credits to all designated Satellite Accounts, the credit shall be carried forward on the Host Account and the allocation process between Host and Satellite Accounts shall repeat until the value of the excess credit is zero, or until all associated accounts are finalized. In the case of two Satellite Accounts billed on the same day, the excess credit shall be applied to the highest usage account first.
 - d. The credit applied to each Satellite Account shall not exceed the delivery charges, and if applicable, Company supply charges.

4. Application of Volumetric kWh Credits:

- a. Host Account:
 - i. In a month where the Host Account has Excess Generation, the Excess Generation shall be converted to the equivalent monetary value at the per kWh rate applicable to the Host Account's service classification and shall first be applied to any outstanding charges on the Host Account's current electric bill, except for customers with Fuel Cell generation facilities and non-farm based Farm Waste Generators.
 - ii. Fuel Cell generation facilities and non-farm based Farm Waste Generators: In a month where the Host Account has Excess Generation, the Excess Generation shall be converted to the equivalent monetary value at the Company's Service Classification No.10 Buy Back Service Energy only rate. The remote net metering credit shall first be applied to any outstanding charges on the Host Account's current electric bill
- b. Satellite Accounts:
 - i. As each Satellite Account is billed, Excess Generation designated to the Satellite Account is converted to a monetary credit and applied to the per kWh charges on the Satellite Account.
 - ii. Monetary credits are calculated using the per kWh rate for the Service Classification applicable to the Satellite Account. If a credit remains after applying to the Satellite Account, the credit is converted back to kWh based on the per kWh rate for the Service Classification applicable to the Satellite Account and the kWh are transferred to the Host Account. This process between Host and Satellite Accounts shall repeat until the value of the excess credit is zero, or until all the Satellite Accounts have been billed.
 - iii. Any remaining kWh credits shall be carried forward on the Host Account to the following month. In the case of two Satellite Accounts billed on the same day, the excess credit shall be applied to the highest usage account first.
 - iv. The credit applied to each Satellite Account shall not exceed the current per kWh electric delivery charges, and if applicable, Company supply charges.

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GENERAL INFORMATION

42. Remote Net Metering (Cont'd)

F. Calculation and Application of Net Metering Credits (Cont'd)

5. Annual reconciliation of remaining credits:

A Farm Waste Electric Generating customer shall have an annual reconciliation of remaining credits. Any remaining monetary credits shall be cashed out at avoided cost. For Non-Hourly Pricing customers, the cash-out payment shall be equal to the product of the kWh excess multiplied by the average avoided cost for the energy for the billing period in which the excess occurred. For Hourly Pricing customers, the payment shall be for the remaining portion of the excess credit priced at avoided cost.

G. Host Account Closure

See Rule 22.F, Distributed Energy Resources, for Account Closures.

43. Reserved for Future Use

GENERAL INFORMATION

44. Energy Storage Deployment Cost Recovery

- A. The Company shall collect costs related to the contracts for procuring qualified energy storage assets in accordance with the Company's Implementation Plan filed with the Public Service Commission in Case 18-E-0130 ("Energy Storage Costs"), over the term of the energy storage procurement contract.
- B. Any payments or credits received by the Company realized from the contracts for the energy storage assets shall reduce the Energy Storage Costs; however, if the net annual wholesale market revenues exceed annual costs, the excess revenues shall be shared on a 70/30 basis between delivery customers and shareholders.
- C. The costs shall be collected from all customers taking electric delivery service and allocated to each service class based on the following allocators:
 - a. coincident peak demand for the transmission portion (if any) of the deferred traditional project; and
 - b. non-coincident peak demand allocator for the sub-transmission and distribution portions of the deferred traditional project.

Recovery shall be on a per kWh basis for non-demand customers; on a per kW basis for demand-billed customers; and on a per As-Used basis for Standby customers.

- D. Once allocated to each applicable service class, the costs shall be collected for the energy storage asset through the Transition Charge. A statement setting forth the energy storage cost recovery rates shall be filed with the Commission on not less than 30 days' notice. Such statement may be found at the end of this Schedule.

45. New York Power Authority ("NYPA") Program to Contribute to Existing Economic Development Customers and Serve New Governmental Entities

- A. Pursuant to Public Authorities Law ("PAL") § 1005, Subsection 27, NYPA is authorized to address the energy related needs of the following types of customers as defined within PAL§ 1005, Subsection 27.
- B. To address the customer's energy needs, NYPA may:
 - a. supply power and energy procured from competitive market sources; or
 - b. supply renewable power, energy, or related credits or attributes procured through a competitive process, from competitive market sources, or through negotiation when a competitive procurement is not reasonably feasible and such products can be procured on reasonably competitive terms
- C. NYPA not authorized to act as a CCA Administrator.
- D. Delivery Charges:

A customer that elects to participate in this Program shall be subject to the Delivery Charges listed within the customer's Service Classification, the Revenue Decoupling Mechanism Adjustment Charge, the Transition Charge (Non-Bypassable Charge ["NBC"]), and the Rate Adjustment Mechanism Surcharge.

E. Surcharges:

The System Benefits Charge and Clean Energy Standard Surcharge apply to electricity supplied under this Program.

F. Supply

Customers who take service under this Program shall have their electric power supplied by NYPA pursuant to the customer's contract with NYPA; however, NYPA shall provide all of the customer's electric power supply if the customer elects the ESCO Supply Service (*i.e.*, load shall not be split between NYPA and an ESCO). If a customer chooses to no longer take service under this Rule, the customer may choose to take their electric power supply from: (a) an ESCO or become a Direct Customer; or (b) the Company in accordance with the rates and charges contained in the service classification under which the customer takes service. Customers taking service under this Rule are not subject to the Supply Charge and the Merchant Function Charge.

GENERAL INFORMATION

46. Earnings Adjustment Mechanism (“EAM”)

The EAM Surcharge is designed to recover incentives associated with Electric EAMs from all customers taking service under Service Classification Nos. 1, 2, 3, 5, 6, 8, 9, 10, 11 and 14.

A. Cost recovery shall be determined as follows:

1. Demand Response (“DR”) EAM

A. For the DR EAM, the Company shall allocate EAM incentives to Service Classifications using transmission demand (12 CP), primary demand, secondary demand, and energy allocators with each carrying equal weight.

2. Beneficial Electrification (“BE”)

A. For the BE EAM, the Company shall allocate EAM incentives to Service Classifications using transmission demand (12 CP), primary demand, secondary demand, and energy allocators with each carrying equal weight.

3. Solar Distributed Energy Resources (“DER”) Utilization

A. For the Solar DER Utilization EAM, the Company shall allocate EAM incentives to Service Classifications using transmission demand (12 CP), primary demand, secondary demand, and energy allocators with each carrying equal weight.

4. Storage Distributed Energy Resource (“DER”) Utilization

A. For the Storage DER Utilization EAM, the Company shall allocate EAM incentives to Service Classifications using transmission demand (12 CP), primary demand, secondary demand, and energy allocators with each carrying equal weight.

B. Recovery of EAM Incentives

Recovery of earned Electric EAMs will be through the Transition Charge. The EAM will be collected from customers on a kW basis for demand billed customers and a per kWh basis for non-demand billed customers.

C. Calculation

The EAM surcharge shall be calculated by dividing the earned incentive for each service classification by the forecast sales or demand for that service classification.

The EAM surcharge collected from customers will be subject to an annual reconciliation for any over or under collections from the previous year and at the end of the contract term if less than an annual period. The EAM reconciliation over or under collections will be credited or surcharged to customers.

A Statement setting forth the EAM Surcharge shall be filed with the Public Service Commission on not less than 30-days’ notice.

GENERAL INFORMATION

46. Earnings Adjustment Mechanism (“EAM”) (Cont’d)

B. Recovery of EAM Incentives

Recovery of earned Electric EAMs shall be through the Transition Charge. The EAM shall be collected from customers on a kW basis for demand billed customers and a per kWh basis for non-demand billed customers.

C. Calculation

The EAM surcharge shall be calculated by dividing the earned incentive for each service classification by the forecast sales or demand for that service classification.

The EAM surcharge collected from customers shall be subject to an annual reconciliation for any over or under collections from the previous year and at the end of the contract term if less than an annual period. The EAM reconciliation over or under collections shall be credited or surcharged to customers.

A Statement setting forth the EAM Surcharge shall be filed with the Public Service Commission on not less than 30-days’ notice.

GENERAL INFORMATION

47. Non-Wire Alternatives (“NWA”)

- A. The Company may implement a NWA as an alternative to a capital investment project. The Company shall recover the amortized portion of costs incurred by the Company for the implementation of a NWA project plus any applicable incentives.
- B. If a NWA project results in the Company displacing a capital project that is reflected in the targets for Average Electric Plant in Service Balances under the Net Plant Reconciliation, the target(s) will be reduced to exclude the forecasted net plant associated with the displaced project. The carrying charge associated with the displaced project will be applied as a credit against the recovery of the associated NWA project costs. In the event that the carrying charge on the net plant of any displaced project is higher than the recovery of the associated NWA project costs, the difference will be deferred for the benefit of customers.
- C. Cost Allocation

The costs will be allocated to each service class based on the following allocators:

 - (1) coincident peak demand for the transmission portion (if any) of the deferred traditional project; and
 - (2) non-coincident peak demand allocator for the sub-transmission and distribution portions of the deferred traditional project.

Once allocated to each applicable service class, the costs will be recovered through a component of the Non-Bypassable Charge (“NBC”). If an NWA project will benefit only certain service classes, the cost allocation will be limited to the benefitted classes.
- D. The NWA Surcharge is applicable to customers taking service under Service Classification Nos.: 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14, regardless of supplier.
- E. Filings and Statements

A NWA Statement setting forth the NWA Surcharge rates shall be filed with the Commission on not less 30 days’ notice. Such statement may be found at the end of this Schedule.

GENERAL INFORMATION

48. Term and Auto- Dynamic Load Management Programs

A. Programs

1. Term Dynamic Load Management Program (“Term DLM” Program)
A customer that qualifies to participate in the Term DLM Program shall provide load relief of at least 50 kW during the Capability period and as further required herein. The Term DLM Program shall be available throughout the Company’s service territory.
2. Auto-Dynamic Load Management Program (“Auto DLM” Program)
A customer that qualifies to participate in the Auto DLM Program shall provide load relief on not less than 10 minutes advance notice for the following conditions: (1) as a contingency program to prevent or mitigate critical situations on the utility’s electric grid; or (2) for peak shaving purposes using the same activation criteria as for Term-DLM. The Auto DLM Program shall be offered in locations as specified by the Company.

B. Definitions

Applicable to Both Programs

“Advisory” refers to the Company’s notice that the Company’s day-ahead forecasted load level reaches a Company specified percent of its forecasted summer system-wide peak. Day-ahead and summer peak forecast information for the system will be posted to the Company’s website.

“Aggregation” means either a Sub-aggregation or all customers represented by an Aggregator within a Network if there are no Sub-aggregations for that Aggregator within that Network.

“Aggregator” refers to a party other than the Company that represents and aggregates the load of Customers who collectively have a Load Relief potential of 50 kW or greater under Term- or Auto-DLM and that is responsible for the actions of the Customers it represents, including performance and, as applicable, repayments to the Company.

“Application” is defined as the set of materials required to enroll eligible resources in the program(s) as detailed in the Program Agreement.

“Capability Period” The period during which the Company can request Load Relief. The Capability Period from May 1 through September 30.

“CBL” Customer baseline load as calculated under the Company’s Customer Baseline Load methodology, using either the weather-sensitive adjustment option (the “weather adjusted CBL”) or the average-day CBL. The Customer Baseline Load methodology shall be described in the Company’s baseline operating procedure, which shall be published on the Company’s website.

“CBL Verification Methodology” The methodology used by the Company to verify the actual Load Relief provided (kW and kWh) during each hour of each designated Load Relief Period and Test.

Actual load levels are compared to the customer baseline loads to verify whether the Direct Participant or Aggregator provided the kW of contracted Load Relief; provided, however, that the Company may estimate the data pursuant to the Company’s operating procedure if data is not available for all intervals. When the weather-adjusted CBL methodology is used and the calculated weather adjustment falls outside of the Company defined ranges (i.e., the Company deems the weather to be atypical on the day of a Load Relief Period or Test when compared to the baseline period), the Company may review and revise a participant’s baseline based on the Customer’s historical load data. When the weather-adjusted CBL methodology is used, the Company, at its own discretion, may select alternate hours for the adjustment period to calculate the weather adjustment in order to accurately reflect the customer’s typical usage.

GENERAL INFORMATION

48. Term and Auto- Dynamic Load Management Programs

B. Definitions (Cont'd)

Applicable to Both Programs

“Company Designated Area” An electrically defined area determined by the Company to be approaching system capacity limits during peak periods.

“Direct Participant” refers to a customer who enrolls under Term- or Auto-DLM directly with the Company for a single account and agrees to provide at least 50 kW of Load Relief.

“Electric Generating Equipment” refers to: (a) electric generating equipment that is served under Service Classification No. 10, Service Classification No. 11, or Wholesale Distribution Service and used to provide Load Relief under this Program; or (b) emergency electric generating equipment that is interconnected and operated in compliance with rules governing Emergency Generating Facilities used for self supply and used to provide Load Relief under this Program.

“Load Relief”: Power (kW) and energy (kWh): (a) ordinarily delivered by the Company that is displaced by use of Electric Generating Equipment and/or reduced by the Direct Participant or Aggregator at the Customer’s premises; or (b) produced by use of Electric Generating Equipment by a customer taking service pursuant to Service Classification No. 10 or Wholesale Distribution Service and delivered by that Customer to the Company’s distribution or transmission system during a Load Relief Period.

“Load Relief Period” refers to the hours for which the Company requests Load Relief during: (a) a Term-DLM Event, which can also include Auto-DLM participants; or (b) an Auto-DLM Event, provided, however, that Load Relief shall not be required under Auto-DLM between the hours of 12:00 a.m. and 6:00 a.m.

Portfolio Quantity: For each Aggregation of an Aggregator or Direct Participant, the amount of Load Relief measured in kW that the Aggregator or Direct Participant has agreed to provide based on the Program Agreement and any Early Exit fees paid in association with that Aggregation.

“Program Agreement” refers to the specific terms and conditions that apply to Aggregators and Direct Participants based on signed contracts associated with their Vintage Year.

“Sub-aggregation” means a subset of Customers represented by an Aggregator. An Aggregator may create Sub-Aggregations as specified in the Program Agreement for a given year.

“Test Event” refers to the Company’s request of either Term- or Auto-DLM for Direct Participants and Aggregators to provide Load Relief in order to test participants’ response to a request for Load Relief. The duration of a Test Event is one hour for both Term- and Auto-DLM. If a Test Event is called under Term-DLM, Load Relief shall be requested within the four-hour span of Contracted Hours. If called under Auto-DLM, Load Relief shall be requested at a time determined solely at the Company’s discretion but not between the hours of 12:00 a.m. and 6:00 a.m.

“Vintage Year” refers to the first Capability Period an Aggregator or Direct Participant is contractually obligated to participation in.

Definitions applicable to Term-DLM only

GENERAL INFORMATION

48. Term and Auto- Dynamic Load Management Programs
B. Definitions (Cont'd)

“Contracted Hours” refers to the four-hour period within a weekday, Monday through Friday during the Capability Period, excluding federal holidays, during which the Direct Participant or Aggregator contracts to provide Load Relief in a Company Designated Area whenever the Company designates a Term-DLM Event. The Contracted Hours are established by the Company for each Company Designated Area based on individual Company Designated Area needs. The Contracted Hours for any S.C. No. 10 customer who exports power to the Company shall be the Contracted Hours established by the Company unless the Company assigns an alternate four-hour period.

“Network” refers to a distribution network or load area designated by the Company.

Performance Factor: When a Planned Event or Test is called, is the quotient of: (i) the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the requested or contracted hours, up to the kW of contracted Load Relief to (ii) the kW of contracted Load Relief.

Performance Payments: The Company shall make Performance Payments to a Direct Participant or Aggregator participating in the Voluntary Participation Option for Load Relief provided during a designated Load Relief Period. The Performance Payment amount paid per event is equal to the applicable Payment Rate multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.

“Renewable Generation” means behind-the-meter electric generating equipment that is not fossil-fueled and has no emissions associated with it.

C. Application and Terms of Service

1. A customer that takes service under one of the following Service Classification Nos. 1, 2, 3, 6, 7, 8, 9, 10, 11, 12, 13 or 14, whether receiving electricity supply from the Company or an ESCO, including any NYPA Customer (“Direct Participant”), and to any Aggregator that meets the requirements of these Programs.
2. A customer taking service under this Rule shall enter into a Program Agreement with the Company. The ability to complete these Program Agreements is awarded based on an open, pay-as-bid, Request for Proposal (“RFP”) process which considers the price per kW offered, the quantity of proposed load relief, the network the load relief will be provided in, and the program the applicant is applying for. All bids will be for single Aggregations (including sub-Aggregations) and will be considered at the Aggregation level.
3. A Direct Participant must contract to provide at least 50 kW of Load Relief. An Aggregator must contract to provide at least 50 kW of Load Relief.
4. Load Relief of an Aggregator will be measured on a portfolio basis by Aggregation.
5. A single CBL Verification Methodology will be used for each Customer account to assess both energy (kWh) and demand (kW) Load Relief.
6. A Direct Participant or Aggregator may change the CBL Verification Methodology or kW of pledged Load Relief for the upcoming Capability Period provided the request is received prior to commencing participation for that Capability Period.

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GENERAL INFORMATION

48. Term and Auto- Dynamic Load Management Programs

C. Application and Terms of Service (Cont'd)

7. If a Direct Participant or Aggregator requests to operate Electric Generating Equipment for Load Relief purposes under this Program, the application must state generator information, including the unit's serial number, nameplate rating, manufacturer, date of manufacture, fuel type or energy source, the kW enrolled using this equipment, and identification as to whether the unit incorporates three-way catalyst emission controls (natural gas-fired rich burn), a natural gas lean-burn engine of model year vintage 2000 or newer, or whether it has a NOx emission level of no more than 2.96 lb/MWh. If the generating equipment has a NOx emission level of no more than 2.96 lb/MWh, but is not natural gas-fired rich burn generating equipment that incorporates three-way catalyst emission controls, a natural gas lean-burn engine of model year vintage 2000 or newer, written certification by a professional engineer must be attached to the application attesting to the accuracy of all generation-related information contained in the application, including the NOx emission level.

GENERAL INFORMATION

48. Term and Auto- Dynamic Load Management Programs

C. Application and Terms of Service (Cont'd)

8. A customer that participates in Net Energy Metering, as identified in in PSL Section 66-j or PSL Section 66-l, or Phase One NEM (as defined in Rule 40.A) is not eligible to participate in these Programs. However, a customer that is participating in Rule 40.B., Value Stack and qualifies for DRV and/or LSRV of the Value Stack compensation is permitted to participate in these Programs in lieu of receiving the DRV and/or LSRV compensation
9. A Direct Participant/Aggregator that qualifies to participate in the Term DLM Program may be eligible to simultaneously participate in the Dynamic Load Relief Program, however, the Direct Participant/Aggregator shall not participate in the Commercial System Relief Program or the Auto-Dynamic Load Management Program at the same time.
10. A Direct Participant/Aggregator that qualifies to participate in the Auto DLM Program shall not be eligible to participate in the Dynamic Load Relief Program, or the Commercial System Relief Program or the Term DLM Program.
11. A Direct Participant/Aggregator exporting to the NYISO through one of its wholesale DER participation model programs may also participate in the Term and Auto- Dynamic Load Management Programs.
12. Within these geographic areas, no limit or cap shall be placed on the following: natural gas-fired rich burn Electric Generating Equipment that incorporates three-way catalyst emission controls; natural gas lean-burn Electric Generating Equipment with an engine of model year vintage 2000 or newer; or Electric Generating Equipment that has a NOx emissions level of no more than 2.96 lb/MWh. 7. If a Direct Participant or Aggregator requests to operate Electric Generating Equipment for Load Relief purposes under this Program, the application must state generator information, including the unit's serial number, nameplate rating, manufacturer, date of manufacture, fuel type or energy source, the kW enrolled using this equipment, and identification as to whether the unit incorporates three-way catalyst emission controls (natural gas-fired rich burn), a natural gas lean-burn engine of model year vintage 2000 or newer, or whether it has a NOx emission level of no more than 2.96 lb/MWh. If the generating equipment has a NOx emission level of no more than 2.96 lb/MWh, but is not natural gas-fired rich burn generating equipment that incorporates three-way catalyst emission controls, a natural gas lean-burn engine of model year vintage 2000 or newer, or a diesel-fired engine of model year vintage 2000 or newer, written certification by a professional engineer must be attached to the application attesting to the accuracy of all generation-related information contained in the application, including the NOx emission level.

D. Event Notification by the Company

1. Under Term-DLM:
 - a. The Company shall call a Term-DLM Event or Test Event on not less than two hours' advanced notice.
 - b. A Term-DLM Event or Test Event shall not be called unless an Advisory was issued at least 21 hours in advance.
2. Under Auto-DLM:

The Company shall call an Auto-DLM Event or Test Event on not less than ten minutes' advanced notice.

GENERAL INFORMATION

48. Term and Auto- Dynamic Load Management Programs

E. Payment

1. The Company shall make Reservation Payments to a Direct Participant or Aggregator at the conclusion of each Capability Period in which the Direct Participant or Aggregator is enrolled under Term- or Auto-DLM. The Reservation Payment is equal to the applicable Reservation Payment Rate per kW multiplied by the Direct Participant or Aggregator's kW of Portfolio Quantity multiplied by the Performance Factor (as described in the Program Agreement). Reservation Payments to Aggregators or Direct Participants are determined per Aggregation based on the Aggregator's kW of Portfolio Quantity in that Aggregation. Details regarding the calculation of Reservation Payments are specified in the Program Agreement.
2. The Company shall make Performance Payments, as applicable, to a Direct Participant or Aggregator. The payment calculation method is described in the Program Agreement.

F. Early Exit Fee

Aggregators and Direct Participants shall have the right to terminate their obligations under their Program Agreement prior to the first Capability Period, before a Company specified deadline, by paying a fee equal to ten percent of the product of the remaining length of the contractual obligation in years, the Aggregator or Direct Participant's applicable reservation rate and the kW of Portfolio Quantity. At its discretion, the Company can offer additional opportunities to exercise such early exit rights or require payment of the Early Exit Fee based on a failure to meet minimum performance standards. These will be specified in Program Agreements.

GENERAL INFORMATION

48. Term and Auto- Dynamic Load Management Programs

G. Cost Recovery

1. The Company shall collect the costs of these Programs from all customers pursuant to Rule 25.I.B.1, Transition Charge (Non-Bypassable Charge [“NBC”]). The collection amount shall be allocated to each service classification based upon the Company’s most recent transmission plant allocator.
2. The costs shall be collected from non-demand billed customers on a per kWh basis and from demand billed customers on a per kW.
3. The costs shall be tracked separately and reconciled with revenues collected for the Programs on an annual basis, inclusive of interest at the effective New York State Public Service Commission’s published customer deposit rate applicable to investor owned utilities.
4. A DLM Statement setting forth the cost values included in the Transition Charge (Non-Bypassable Charge [“NBC”]) by service classification shall be updated annually and filed on not less than one days’ notice. Such statement can be found at the end of this Schedule (P.S.C. No. 120 – Electricity).

H. Participation in Non-Wires Alternative Solutions

1. A Direct Participant or Aggregator shall provide the contracted load relief for the duration of the contract term as specified in solicitation.
2. If the Direct Participant or Aggregator is able to provide additional load relief that is incremental to the contracted kW amount, the Direct Participant or Aggregator may provide such service to a Non-Wires Alternative Solution, if selected.

I. Metering

1. Participation under these Programs require that each participant’s entire service be measured by interval metering with telecommunications capability used by the Company for monthly billing. If an Aggregator takes service under these Programs, all customers of the Aggregator must meet the metering and telecommunications requirements specified herein.
2. If, at the time of application for service under one of these Programs, the Company does not bill the participant monthly using interval metering, the Direct Participant shall arrange for the furnishing and installation of interval metering with telecommunications capability to be used for billing and arrange for telecommunications service, at the participant’s expense.
3. The Company shall visit the premises at the request of the customer to investigate a disruption of normal communications between the phone line or wireless communication and the meter, or operation of external pulses from the meter to the customer’s energy management equipment. The Company shall charge for its visit based upon the cost to the Company.

GENERAL INFORMATION

48. Term and Auto- Dynamic Load Management Programs

J. Restrictions

1. Performance Payments shall not be made under this Program if the Direct Participants or Aggregator (on behalf of its customer) receives payment for energy under any other demand response program (e.g., NYISO's Day-ahead Demand Reduction Program or NYISO's Special Case Resources Program) during concurrent Load Relief hours. If a Direct Customer or Aggregator (on behalf of its customer) is enrolled in the Company's Distribution Load Relief Program for concurrent Load Relief hours, Performance Payment will be made only through the Term Dynamic Load Management Program.
2. Customers who take service pursuant to a Net Metering option are not eligible to participate in this program. However, a customer that is participating in Rule 40.B., Value Stack and qualifies for DRV and/or LSRV of the Value Stack compensation are permitted to participate in this Program in lieu of receiving the DRV and/or LSRV compensation. A customer-generator compensated under Rule 40.B. Value Stack that opts into this Program shall be compensated for their injections using the same load reduction calculation methodology and at the same rate as compensation for load reductions as described in Rules 35.I. and 35.J. This voluntary election is a one-time, irrevocable selection that may be made at any point during the project's Value Stack compensation term, however, shall be made in accordance with Rule 35.D. If such election is made after April 1, the effective date of such election shall be the following year's Capability Period described in Rule 35.D.1.

GENERAL INFORMATION

49. Electric Vehicle (“EV”) Make Ready Surcharge (“EV Surcharge”)

The Electric Vehicle (“EV”) Make-Ready Surcharge is to recover the costs associated with the make-ready programs administered by the Company or by NYSERDA as described below.

A. Programs

1. Utility-Owned Make-Ready Work

The depreciation expense related to utility-owned make-ready costs, including work related to future-proofing Company infrastructure, and the return on the average unrecovered portion of such investment, net of deferred income taxes, shall be collected and amortized over the subsequent one-year period, including carrying charges at the Company’s pre-tax weighted average cost of capital.

2. Customer-Owned Make-Ready Work

Incentives paid for customer-owned make-ready work, including carrying charges calculated at the Company’s currently authorized pre-tax cost of capital applied to the net-of-tax balances of such incentives and carrying charges, shall be recovered over a period of 15 years;

3. Make-Ready Implementation Costs

Implementation costs inclusive of the Fleet Assessment Service, including carrying charges calculated at the Company’s currently authorized pre-tax cost of capital applied to the net-of-tax balances of such other costs and carrying charges, shall be recovered over a period of 5 years.

4. EV Managed Charging Program

Costs associated with the EV Managed Charging Program (Rule 53), including carrying charges calculated at the Company’s currently authorized pre-tax cost of capital applied to the net-of-tax balances, shall be deferred to the end of each program year and recovered during the subsequent program year.

5. Electric Vehicle Demand Charge Rebate

Rebates paid to customers under the Electric Vehicle Demand Charge Rebate (Rule 54), including carrying charges calculated at the Company’s currently authorized pre-tax cost of capital applied to the net-of-tax balances, shall be deferred to the end of each program year and recovered during the subsequent program year.

6. Other Programs

This includes costs associated with the Environmental Justice Community Clean Vehicles Transformation Prize, Clean Personal Mobility Prize, Clean Medium- and Heavy- Duty Innovation Prize, Medium- and Heavy- Duty Make-Ready Pilot Program, and Micromobility Make-Ready Program. To the extent that costs in these programs are for utility-owned make-ready infrastructure, such costs shall be recovered consistent with Utility-Owned Make-Ready Work as noted in (a) above. Other costs of these programs, including carrying charges calculated at the Company’s currently authorized pre-tax cost of capital applied to the net-of-tax balances of such other costs and carrying charges, shall be recovered over a period of 15 years.

B. Applicability

The EV Surcharge shall be collected from all customers taking service under Service Classification Nos. 1, 2, 3, 5, 6, 7, 8, 9, 11 and 12, whether receiving electricity supply from the Company or an ESCO.

C. Costs

1. Costs for the Electric Vehicle Make-Ready Programs shall be collected from all customers taking electric delivery service, except as provided in D. below, and allocated to service classifications based on delivery service revenues.

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GENERAL INFORMATION

49. Electric Vehicle (“EV”) Make Ready Surcharge (“EV Surcharge”)

C. Costs (Cont’d)

2. The EV Surcharge shall be determined by dividing applicable EV Make-Ready Costs by the forecasted billed kWh or kW demand, as applicable, for the collection period.
3. Recovery shall be on a per kWh basis for non-demand customers; on a per kW basis for demand-billed customers; and on a per As-Used basis for Standby customers.
4. The EV Surcharge collected from customers shall be subject to an annual reconciliation for any over or under collections from the previous year. The EV reconciliation over- or under-collections shall be credited or surcharged to customers.
5. Cost recovery shall be on an annual basis to be effective with the first billing batch in February, with the first program year ending December 31, 2020 and each subsequent program year comprising a successive annual term thereafter.

D. Exceptions

A customer that qualifies for the Excelsior Jobs Program as provided in Rule 32.A is exempt from paying the EV Surcharge.

E. Billing and Filing of Statement

1. The EV Surcharge shall be included in the Transition Charge on customer bills.
2. An Electric Vehicle Statement (“EVMR”) setting forth the EV Surcharge rates shall be filed with the Public Service Commission on not less than 15-days’ notice to be effective February 1. Such statement can be found at the end of this Schedule (P.S.C. No. 120 – Electricity).

GENERAL INFORMATION

50. Remote Crediting ("RC") Program

A. Eligibility

1. A non-residential customer and farm residential, who owns or operates electric generating equipment ("Facility"), and as defined in Public Service Law ("PSL") §66-j or PSL§66-l, limited in size as set forth in the table below will be permitted to participate as a Remote Crediting Host in this program:

Generator Type	Size Limit on System	
	Residential	Non-Residential
Solar	Up to 5 MW	
Micro-hydroelectric	Up to 5 MW	
Fuel Cell	Up to 5 MW	
Farm Waste	Up to 5 MW	
Wind	Up to 5 MW	
Farm Wind	Up to 5 MW	

2. A customer participating in Remote Net Metering ("RNM") pursuant to Rule 42 and is compensated for excess generation based on Rule 40.B, Value Stack shall be transitioned to Remote Crediting pursuant to this Rule effective with the Host's first full billing cycle after September 1, 2021.
3. A project that is participating in Remote Net Metering and is compensated based on volumetric or monetary crediting may make a one-time irrevocable election to opt-in to the Remote Crediting Program as set forth below:
 - a. A non-Value Stack RNM project may opt into the Value Stack and shall adhere to the rules and requirements of Remote Crediting.
 - b. A Host of a RNM project that transitions to Remote Crediting will retain any Value Stack Eligibility Date lock-in rates, as described in Rule 40.B, as well as the project's originally-established term limit.
 - c. A Host of a RNM project that is compensated based on volumetric crediting and opts into Remote Crediting shall forfeit any banked credits on the existing project before commencing with Remote Crediting, and such project's Value Stack Eligibility Date shall be the date in which the project opts into Remote Crediting.
 - d. A Host of a RNM project that is compensated based on monetary crediting and has banked credits that opts into Remote Crediting, before commencing with Remote Crediting, such banked credits shall be transitioned to the Host Bank as its starting balance.
4. A customer account that is participating in the Remote Crediting program as a Host or a Satellite Account may not also participate in Community Distributed Generation ("CDG"), Rule 37 or Remote Net Metering, Rule 42.
5. Interconnected CDG projects, including Net Crediting, shall have the option to switch to Remote Crediting through a one-time irrevocable election as detailed in Rule 50.H.
6. A customer that takes service pursuant to Service Classification No. 11 is not eligible to participate in the Remote Crediting program.
7. Remote Crediting Host and Satellite Accounts must be located in the Company's service territory.

GENERAL INFORMATION

50. Remote Crediting ("RC") Program

B. Remote Crediting Host Requirements

1. The Remote Crediting Host that meets the Eligibility requirements set forth above shall submit an application to the Company and designate up to ten (10) autonomous customers, including the Host Account, to participate in Remote Crediting.
2. The Remote Crediting Host must certify in writing to the Company, both prior to commencing service under Remote Crediting and annually thereafter, that it has met all program criteria set forth in the Commission's Orders, including but not limited to certifying that they can satisfy all obligations assumed with respect to Satellite Account members and other requirements established by the Commission.
3. A Remote Crediting Host Account may not participate in other Remote Crediting projects as a Remote Crediting Satellite Account.
4. Monthly Allocation File
 - a. If no allocation form is provided to the Company within thirty (30) days of interconnection to the Company's distribution system, all Value Stack compensation will be applied to the electric charges of the Host Account and any excess credits will be allocated to the Host bank until such time a completed allocation form is received by the Company. The excess credit shall continue to be banked and available for future host bank allocation.
 - b. The initial valid allocation request shall be effective with the first full Remote Crediting Host Account billing period from the later of 60 days after receipt of such request or effective date of interconnection.
 - c. The Remote Crediting Host shall allocate, on a percentage basis (at up to three decimal places of accuracy), its monthly Value Stack credits to each of the project's Satellite Accounts, as well as the Host Account, such that the allocation totals 100 percent. The Remote Crediting Host may allocate 0.000% to their Host Account. Allocations that total more than 100 percent shall be rejected.
 - i. Subsequent valid allocation files shall be effective the with next full Remote Crediting Host Account billing period 30 days after receipt of such request.
 - ii. The Remote Crediting Host may not modify the allocation file more than once in a 30-day period.
 - iii. If the allocation file does not include instructions for disbursements from the Host Bank, no disbursement will be made from the Host Bank.

C. Satellite Requirements

1. A Remote Crediting project may have up to ten (10) autonomous customers, including the Host Account
 - a. A Satellite customer may have multiple accounts identified on the monthly allocation file.
2. A Remote Crediting Satellite account may participate as a satellite in more than one Remote Crediting project. The aggregated rated capacity of generating equipment of Remote Crediting Host Account(s) designated to serve a Remote Crediting Satellite Account plus the rated capacity of net-metered generating equipment on the Remote Crediting Satellite Account, if any, cannot exceed 5,000 kW.
 - a. If it's determined that the Satellite customer is receiving more than the aggregated capacity of 5,000 kW, the Company shall suspend any application of credits to the Satellite and those credits will remain with the appropriate Host. Application of credits to the Satellite will commence once the sum of the Host allocations does not exceed 5,000 kW.

GENERAL INFORMATION

50. Remote Crediting ("RC") Program

D. Calculation and Application of Credits

1. The Company shall calculate credits in accordance with Rule 40.B. Value of Distributed Energy Resources, Value Stack for the Facility and allocate credits in accordance with the percent allocations provided by the Remote Crediting Host.
2. The credit applied to each account (*i.e.*, Host Account and Satellite Account) shall not exceed the current electric charges. Any remaining unused credits for that account will be banked and carried over on the account for its next billing period.
3. Banked credits remaining on the Remote Crediting Host account at the end of the billing period will be available to offset the Remote Crediting Host's electric charges on its next bill, or for future host bank disbursement to participating satellite accounts according to instructions provided to the Company in Rule 50.B.4.c.iv.
4. Satellite Account
 - a. If a Remote Crediting Satellite participates in multiple Remote Crediting projects, the Value Stack credit applied to the Satellite account's current electric charges will be determined on a prorata basis based on each Remote Crediting Host's total allocation to the Satellite in the month, inclusive of Host bank allocation, applied to the Satellite's current electric charges.
 - b. If a Remote Crediting Satellite is a customer-generator, any on-site generation credits will be applied to the satellite's bill before applying any credits from the Remote Crediting project.

E. Metering Requirements

See Rule 22.C, Distributed Energy Resources, for applicable metering requirements.

F. Discontinuance of Participation in Remote Crediting Project

1. If a Remote Crediting Satellite discontinues participation in a Remote Crediting project:
 - a. The Company shall rely on the Remote Crediting Host's monthly allocation form to verify the Remote Crediting Satellite Account's participation in the Remote Crediting Host's project. When the Company processes the Remote Crediting allocation form, that no longer includes the Remote Crediting Satellite Account, the Company shall transfer any banked credits of the Remote Crediting Satellite Account to the Remote Crediting Host Account.
 - b. Once remaining credits have been transferred to the Remote Crediting Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the Remote Crediting Satellite Account for that Remote Crediting project.
 - c. A Remote Crediting Satellite Account that has been removed from a Remote Crediting Host project, but continues to maintain an active utility account, may not subscribe to a new Remote Crediting Host or Remote Crediting Net Crediting project until the billing period after which all banked credits are returned to the original Remote Crediting Host's Account.

GENERAL INFORMATION

50. Remote Crediting ("RC") Program

G. Account Closure

1. Host Account

- a. The Company shall require an actual meter reading to close an Account pursuant to this Rule.
- b. The Company shall close an account on the earlier of: (a) the first cycle date on which a reading is taken following the requested turn off date, or (b) the date of a special reading, which a Customer may request at the charge specified in General Information Rule 16.D.6.(c).
- c. After the Host Account's final bill is rendered, or at the end of the term of service, the Remote Crediting Host will forfeit any remaining credit in the host bank and shall not be cashed out or transferred.

2. Satellite Account

- a. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- b. The Company shall close an account on the earlier of:
 - i. the first cycle date on which a reading is taken following the requested turn off date, or
 - ii. the date of a special reading, which a Customer may request at the charge specified in General Information Rule 16.D.6.(c).
- c. Once the Remote Crediting Satellite has closed their account and the final bill rendered, the banked credits that were remaining on the Remote Crediting Satellite's account shall be transferred back to the Remote Crediting Host Account.
- d. If the Remote Crediting Satellite was participating in multiple Remote Crediting projects, the credits shall be returned to each host in the proportioned percent of installed capacity allocated to that account in each project.
- e. Once remaining credits have been transferred to the Remote Crediting Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the Remote Crediting Satellite Account for that Remote Crediting project.

H. One-Time Voluntary Switch:

A customer shall have the option to make a one-time voluntary switch from Remote Crediting to Community Distributed Generation (Rule 37). The procedure to switch is detailed in the CDG VDER Procedural Requirements manual posted on the Company's website.

- a. A customer shall provide the Company with notice of their intent to switch and submit a switching certification and a CDG/Remote Crediting allocation form within 60 days of the new project's first account billing date or within 45 days of the existing project's last host account billing date.
 - (i) The project shall remain under the Value Stack compensation mechanism as described in Rule 40.B.10.
 - (ii) This switch shall be irrevocable.
- b. If a customer chooses to make a one-time voluntary switch, the component rates that were established on the customers eligibility date shall not change and all project elections shall carry forward.
- c. The compensation term shall be that of the program that a customer is switching into and begins on the project's original interconnection date.

GENERAL INFORMATION

50. Remote Crediting ("RC") Program

H. One-Time Voluntary Switch (Cont'd):

- d. The customer shall retain any monetary credits banked on the host account; this shall be the starting balance of the new host bank.
- e. For projects switching to Remote Crediting and choose to receive compensation under the Environmental Component, the project owner shall contact the NYGATS administrator to initiate a transfer of the generator in NYGATS to the Company. Projects not already authorized in NYGATS must authorize the Company to register and report data through NYGATS.

51. Late Payment Charge and Other Waived Fees ("LPCO") Surcharge

The Late Payment Charge and Other Waived Fees ("LPCO") Surcharge shall recover the late payment charges and other waived fees in accordance with the Commission's Order issued in Case 22-M-0119.

1. Applicable to:

The LPCO Surcharge rates shall be applied to a customer's actual billed consumption and are applicable to customers taking service under Service Classification Nos.: 1, 2, 3P, 3S, 5, 6, 7, 8, 9, 11 and 12. The LPCO Surcharge is applicable to RNY allocations.

The LPCO Surcharge shall not be applied to customer's deliveries of Western New York NYPA Power or to Excelsior Jobs Program customers' qualifying load.

2. Calculation:

The amount to be recovered from each service classification, as noted above, shall be divided by the respective service classification's forecast sales usage associated with the corresponding period from which the surcharge will be collected from customers.

The amount to be recovered shall be allocated to applicable service classifications based on the Company's uncollectible allocator in the Company's most recent rate proceeding. The amounts to be recovered shall be assessed carrying charges at the Company's weighted pre-tax cost of capital.

3. Reconciliation:

The LPCO Surcharge collected from customers shall be subject to an annual reconciliation for any over- or under-collection at the end of the annual collection period, inclusive of carrying charges at the Company's weighted pre-tax cost of capital, to be included in the balance for refund or recovery in the next annual period as applicable.

4. Cost Recovery:

The LPCO Surcharge shall be recovered from customers on a per kWh basis for non-demand service classes, on a per kW basis for demand service classes, and on a per As-Used demand basis for SC 11.

5. Billing and Statement

For purposes of billing, the LPCO Surcharge will be included in the Transition Charge.

A Statement of Other Charges and Adjustments ("OTH") setting forth the LPCO Surcharge rates shall be filed with the Public Service Commission on not less than three (3) days' prior to the effective date. Such statement can be found at the end of this Schedule (P.S.C. 120 – Electric).

GENERAL INFORMATION

52. Arrears Relief Program

A. One-Time Arrears Relief Credit:

1. Phase 1 Arrears Reduction Program ("Phase 1"):
A low-income customer with arrears as of May 1, 2022, may be eligible for a one-time arrears relief credit as set forth in the Public Service Commission's Order in Case No. 14-M-0565 dated June 16, 2022.
2. Phase 2 Arrears Reduction Program ("Phase 2"):
A residential customer or a small-commercial customer with arrears as of May 1, 2022, may be eligible for a one-time arrears relief credit as set forth in the Public Service Commission's Order in Case No. 14-M-0565 dated January 19, 2023.

B. Arrears Relief Program Surcharge:

The Arrears Relief Program Surcharge is designed to recover the remaining program costs related to the arrears management plan and associated carrying charges after applying the allocated funds provided by the Utility Arrears Relief Program.

1. Applicability:
The Arrears Relief Program Surcharge is applicable to all customers taking service under Service Classification Nos. 1, 2, 3, 5, 6, 7, 8, 9, 11, and 12.
2. Calculation:
The surcharge shall be calculated by dividing the allocated costs for each service classification by the forecasted sales or the demand for the service classification. The amounts to be recovered shall be assessed carrying charges at the Company's weighted pre-tax cost of capital. Costs associated with Phase 1 shall be recovered over a three-year period. Costs associated with Phase 2 shall be recovered over a two-and-a-half-year period.
3. Cost Allocation:
The costs to be collected shall be allocated to each service classification consistent with the uncollectable cost allocation from the Company's most recent cost of service study.
4. Cost Recovery
The surcharge shall be recovered from customers on a per kWh basis for non-demand service classes, on a per kW basis for demand service classes, and on a per As-Used demand basis for SC 11.

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GENERAL INFORMATION

52. Arrears Relief Program

B. Arrears Relief Program Surcharge:

5. Reconciliation:

The surcharge collected from customers shall be subject to an annual reconciliation for any over- or under-collection at the end of the annual collection period, inclusive of carrying charges at the Company's weighted pre-tax cost of capital, to be included in the balance for refund or recovery in the next annual period. The first Phase 2 reconciliation shall be calculated concurrently with the Phase 1 reconciliation and annually thereafter.

6. Billing and Statement:

For purposes of billing, the surcharge shall be included in the Transition Charge.

An Arrears Relief Program Statement ("ARP") setting forth the Arrears Relief Program Surcharge rates, for Phase 1 and Phase 2, shall be filed with the Public Service Commission on not less than 3-days' notice. Such statement may be found at the end of this Schedule.

GENERAL INFORMATION

53. EV Managed Charging Program

A. Eligibility:

1. A residential customer, as defined by HEFPA, taking service under Service Classification No. 1 who owns or leases a plug-in hybrid or battery electric vehicle may be eligible for this program subject to the program requirements in the EV Managed Charging Implementation Plan posted on the Company's website.
2. A customer must participate in the program for a minimum of 12-months to be eligible for the enrollment and participation incentives described in Rule 53.B below.
3. Eligible customers may participate in this program through December 31, 2025.

B. Program Tiers and Incentives:

1. Baseline Tier:

- i. Enrollment Incentive: A customer shall receive a one-time \$25 enrollment incentive for enrolling in the Baseline Tier of the managed charging program.
- ii. Participation Incentive: A customer shall receive the Participation Incentive if the customer charges off-peak, 11:30 P.M. to 7:00 A.M. Eastern Standard Time, 80% or more for the calendar month. The Participation Incentive shall be the difference between the Service Classification No. 1 delivery and supply rates for the month and the Service Classification No. 8 – PEV delivery and supply rates for the month multiplied by the kWh used off-peak measured by the customers vehicle telematics system or charger. A customer that does not achieve the 80% threshold in any given month shall not earn an incentive for that month, however, the customer shall be able to earn the participation incentive in any of following months if they achieve the 80% threshold.

2. Advanced Tier:

- i. Enrollment Incentive: A customer shall receive a one-time \$150 enrollment incentive for enrolling in the Advanced Tier of the managed charging program.
- ii. Participation Incentive: The Participation Incentive shall be the difference between the Service Classification No. 1 delivery and supply rates for the month and the Service Classification No. 8 – PEV delivery and supply rates for the month multiplied by the kWh used off-peak measured by the customers vehicle telematics system or charger. A customer shall receive the incentive, assessed on a month-to-month basis, if the customer maintains an active daily charging schedule and agrees to allow active managed charging of their vehicles by the Company. A customer shall not override their managed charging schedule resulting in an on-peak charging event greater than fifteen (15) minutes and more than three (3) times per month.

3. Specific information on the program, including dispute resolution, shall be set forth in the EV Managed Charging Implementation Plan posted on the Company's website.

C. Cost Recovery:

1. Program implementation costs, enrollment incentives, and participation incentives shall be recovered through the EV Make-Ready Surcharge (Rule 49).

GENERAL INFORMATION

54. Electric Vehicle Demand Charge Rebate

A. Eligibility

A customer served under Service Classification Nos. 2, 3 or 7 that installs and operates electric vehicle charging equipment may apply and qualify for the Electric Vehicle ("EV") Demand Charge Rebate subject to the following conditions:

- i. A customer operating electric vehicle charging equipment must have a Charging Ratio of 50 percent or greater in order to be eligible for the EV Demand Charge Rebate.
 - a. For a customer that chooses to separately meter their EV charging load, the Charging Ratio shall be equal to 100 percent.
- ii. A customer currently enrolled in the Excelsior Jobs Program pursuant to Rule 32 of this Schedule is ineligible for the EV Demand Charge Rebate.
- iii. A customer currently participating in the Company's Per-Plug Incentive ("PPI") Program is ineligible for the EV Demand Charge Rebate.
 - a. A customer participating in the Company's PPI Program shall have a one-time option to either continue participating in the PPI Program for the remainder of the Customer's eligibility period or to receive the EV Demand Charge Rebate.

B. Rebate Determination and Issuance

- i. Charging Ratio is defined as the ratio of the sum of the EV charging nameplate capacity in kW to the sum of the customer's maximum simultaneous demand of all onsite load in kW, including electric vehicle charging load.
 - a. The maximum simultaneous demand of all load (in kW) onsite will be determined from the most recent Electrical Load Form on the account. The Electrical Load Form provides the customer's anticipated on-site load from all electrical equipment sources and is general submitted by a customer when requesting new or upgraded electric service.
 - b. The Company may request an updated Electrical Load Form at any point in time that is subsequent to the customer's interconnection of the electric vehicle charging equipment for the purposes of determining eligibility.
 - c. The Charging Ratio shall be determined at the time of application and shall remain the Charging Ratio until such time that the customer provides a new Electrical Load Form if adding or removing load.
 - d. The Company reserves the right to re-evaluate the Charging Ratio and eligibility subsequent to application for, or a change in electric service.
 - e. The calculation of the Demand Charge Rebate shall not include delivery surcharges, supply charges, supply surcharges, or any other demand-measured charges included on a customer's bill.
- ii. For a customer with a Charging Ratio of 50 percent or greater, the Rebate will be calculated for each billing period by taking the billed Demand Charge times the Charging Ratio times 50 percent.
- iii. The Rebate shall be issued separately from the customer's bill on a quarterly basis.

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GENERAL INFORMATION

54. Electric Vehicle Demand Charge Rebate

C. Cost Recovery

- i. Rebates paid to customers shall be recovered through the EV Make-Ready Surcharge (Rule 49) and shall be allocated among service classifications using the transmission and distribution revenue allocator as set forth in the Commission's Order dated January 19, 2023, issued under Case 22-E-0236.

- D. The EV Demand Charge Rebate shall remain available to eligible customers until such time as the EV Phase-In Rate Solution as described in the Commission's Orders in Case 22-E-0236 is made available to Customers.