Received: 04/17/2017

Status: CANCELLED Effective Date: 04/27/2017

PSC No: 120 - Electricity

New York State Electric and Gas Corporation

Revision: 16

Initial Effective Date: April 27, 2017

Leaf No. 117.38

Revision: 16

Superseding Revision: 15

Issued in compliance with Order in Case Nos. 15-E-0751 and 15-E-0082, dated March 9, 2017.

GENERAL INFORMATION

30. Fuel Cell Electric Service Option (cont'd.)

A. Residential (Cont'd)

6. Billing (Cont'd)

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.

7. Costs

Pursuant to the Standard Interconnection Requirements set forth within Addendum-SIR of P.S.C. No.119, customers are responsible for providing all meter boxes and sockets. In the event that the Company determines that it is necessary to install a dedicated transformer or transformers, or other equipment to protect the safety and adequacy of electric service provided to other customers, the customer-generator shall pay for the cost of installing the transformer or transformers, or other equipment up to a maximum amount of \$350.00. The Company shall not charge any additional fuel cell electric specific interconnection costs incurred by the Company other than \$350.00 for dedicated transformers, or other equipment, if necessary. Customers are responsible for any costs related to the installation of their fuel cell generating equipment. Notwithstanding the provisions herein, residential fuel cell electric customers are responsible for meeting all otherwise applicable provisions and requirements of P.S.C. Nos. 119 and 120.

8. Special Provision

A Residential customer who own or operate a farm operation (as defined by Agriculture and Markets Law §301(11)), and locates fuel cell generating equipment on property he or she owns or leases, is eligible for remote net-metering as set forth in Rule 30.B.8.A.II.

B. Non-Residential Electric Service Option

1. Applicable To

Any 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. Such system must be connected to the customer's electric system and 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 Rule.

2. Eligible Capacity

The Fuel Cell Non-Residential Service Option shall be available to eligible customers, on a first come, first served basis, until the total rated generating capacity for solar, farm waste, 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.

3. Term

- A. The Company shall calculate credits in accordance with Section 30.B.6. for the life of the fuel cell generating system for a customer that on or prior to March 9, 2017 has:
 - a. completed Step 4 of the SIR Addendum for fuel cell generating equipment less than 50 kW; or
 - b. completed Step 8 of the SIR Addendum for fuel cell generating equipment larger than 50 kW; or
 - c. installed fuel cell generating equipment on or prior to March 9, 2017.

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.

B. A customer that installs fuel cell generating equipment after March 9, 2017 shall refer to Rule 40, Value of Distributed Energy Resources (VDER), Phase One Net Energy Metering ("NEM").

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