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PSC No: 120 - Electricity
 New York State Electric and Gas Corporation
 Initial Effective Date: April 27, 2017
 Issued in compliance with Order in Case Nos. 15-E-0751 and 15-E-0082, dated March 9, 2017.

Leaf No. 117.41
 Revision: 14
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GENERAL INFORMATION

31. Micro-Hydroelectric Service Option (Cont'd)

B. Non-Residential

1. Applicable To

Any 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. 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 an electric company's transmission and distribution facilities, and that is operated in compliance with any standards and requirements established under this Rule.

2. Eligible Capacity

The Micro-Hydroelectric 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 31.B.6. for the life of the micro-hydroelectric generating system for a customer that on or prior to March 9, 2017 has:
 - i. completed Step 4 of the SIR Addendum for micro-hydroelectric generating equipment less than 50 kW; or
 - ii. completed Step 8 of the SIR Addendum for micro-hydroelectric generating equipment larger than 50 kW; or
 - iii. installed micro-hydroelectric 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 micro-hydroelectric generating equipment after March 9, 2017 shall refer to Rule 40, Value of Distributed Energy Resources (VDER), Phase One Net Energy Metering (NEM).

4. Interconnection

Customers electing service under this provision must execute a New York State Standardized Contract for Interconnection of New Distributed Generation Units with Capacity of 5 MW or Less Connected in Parallel with Utility Distribution Systems ("SIR Contract"). In addition, customers must operate in compliance with standards and requirements set forth in the New York State Standard Interconnection Requirements and Application Process for New Distributed Generators 5 MW or Less Connected in Parallel with Utility Distribution Systems, as set forth within Addendum-SIR of P.S.C. No. 119.

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