PSC NO: 220 ELECTRICITY LEAF: 199.4 NIAGARA MOHAWK POWER CORPORATION REVISION: 2 INITIAL EFFECTIVE DATE: SEPTEMBER 21, 2015 SUPERSEDING REVISION: 1 STAMPS: Issued in Compliance with Order issued April 17, 2015 in Case 14-E-0151 and 14-E-0422.

GENERAL INFORMATION

36. Net Metering for Solar Electric Generating Equipment, Farm Waste Electric Generating Equipment, Micro-Combined Heat and Power Generating Equipment, and Fuel Cell Electric Generating Equipment and Micro-Hydroelectric Generating Equipment

36.7.5.1.2 If a satellite account is billed under time-of-use rates, the kWh credits shall be applied in proportion to the usage in each time period.

36.7.5.1.3 Any volumetric credits remaining in excess of the amount required to reduce the satellite account's billed kWh to zero will be returned to the Host Account.

36.7.6 Remote net metered customers will be allowed to retain monetary crediting at qualifying remote net metered locations if they meet the following criteria and conditions:

36.7.6.1 Projects that have been interconnected by June 1, 2015; or

36.7.6.2 Projects for which developers have submitted a completed preliminary interconnection application to the Company by June 1, 2015; or

36.7.6.3 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

36.7.6.4 Projects that have completed applications for grants in NYSERDA's NY-Sun MW Block Program for projects sized more than 200 kW by June 1, 2015; or

36.7.6.5 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.

36.7.6.6 To retain the monetary crediting, a project must enter service by the date specified in the NYSERDA PONs in 36.7.6.3 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.

36.7.6.7 If the criteria and conditions as set forth in this Rule 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.

36.7.6.8 Except for fuel cell and non-farm based farm waste generators, a generator who is entitled to retain monetary crediting, may opt out of this Rule and select volumetric crediting if they submit a statement in writing to the Company. The Company will acknowledge the request for volumetric crediting to the Customer-Generator. 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.