PSC NO: 15 ELECTRICITY COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION INITIAL EFFECTIVE DATE: 06/01/12

38. NET METERING FOR CUSTOMER GENERATORS (Cont'd)

C. <u>Farm Waste Electric Generation</u> (Cont'd)

Billing: (Cont'd)

- 3. For demand metered customers subject to hourly pricing provisions (HPP), as specified in the customer's applicable Service Classification, in the event that:
 - (a) the amount purchased from the Company exceeds the amount sold to the Company (net purchases) in a billing period, the customer will be billed for the difference at the applicable rates specified in the customer's applicable Service Classification.
 - (b) the amount sold to the Company exceeds the amount purchased from the Company (net sales) in a billing period,

(i) an energy delivery credit will be calculated by converting the excess on-site production to the equivalent value at the applicable energy delivery kWh rates of the customer's applicable Service Classification.

(ii) an energy supply credit will be calculated by converting the excess on-site production to the equivalent value at the hourly kWh rate that corresponds to the hour(s) that resulted in the creation of the net sales in the billing period.

(iii) the sum of the energy delivery and energy supply credits so determined will be applied as a direct credit to the customer's current total utility bill. To the extent that the value of the monthly production credits exceed all components of the customer's total bill, the remaining monetary credit shall be carried forward to the succeeding billing period.

(c) a cumulative monetary credit exists in the billing period that ends directly on or after twelve (12) months from the time the customer contracted for this service ("anniversary date"), the monetary credit will be converted to kWh and the Company will pay the customer at the applicable rate under Service Classification No. 10. The customer may make a one-time election to select an alternate anniversary date to be effective for all subsequent payments, as applicable.

Issued by: Michael L. Mosher, Vice President, Poughkeepsie, New York