PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: DECEMBER 12, 2011

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37. NET METERING FOR RESIDENTIAL, FARM SERVICE AND NON-RESIDENTIAL WIND ELECTRIC GENERATING SYSTEMS AS DEFINED IN PUBLIC SERVICE LAW ("PSL") 66-L

37.10.4.1 If the host account Customer-Generator has excess on-site generation, the excess generation shall be converted to a monetary credit at the host account Customer-Generator's applicable tariff per kWh rate and applied as a direct credit to the host account Customer-Generator's outstanding electric delivery charges.

37.10.4.2 In the event that the excess on-site generation of the host account Customer-Generator as described in 37.10.4.1 above exceeds all components of the host account Customer-Generator's outstanding utility bill, the remaining monetary credit will be allocated to the eligible designated satellite accounts in the following manner:

37.10.4.2.1 Any remaining monetary credit will be applied to the eligible designated satellite accounts in the order that each subsequent satellite account bills in the Company's billing system. In the case where more than one satellite account is billed on the same day, the monetary credit will be applied to the highest usage account first. This process will continue through each day in the billing cycle as each satellite account is billed. The monetary credit applied to each satellite account shall not exceed the satellite account's electricity delivery and electricity supply charges for that billing period.

37.10.4.2.1.1 Customers having both electric and gas service on the same account will receive separate bills for electric and gas services to ensure that net metering credits apply only to electric service on the satellite accounts

37.10.4.2.2 If a monetary credit still remains at the end of the current month's billing cycle after all eligible designated satellite accounts have been credited, the remaining credit will be carried forward on the host account to the next billing period at which time it will be applied to all eligible designated accounts. The above process will be repeated in each subsequent month until any remaining monetary credit on the host account that is to be applied to eligible designated accounts has been fully allocated.

37.10.4.2.3 A host account that is a Farm Based Wind Customer-Generator who has a credit remaining at the end of their net metering year (12-month period), will have the portion of the credit equal to average avoided cost as calculated under Special Provision C of S.C. No. 6 of this tariff paid to the host account Customer-Generator. Any remaining monetary credit will be reset to zero at the start of the host account Customer-Generator's next net metering year.

Issued by Thomas B. King, President, Syracuse, NY