PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: JULY 23, 2010

LEAF: 198 REVISION: 3 SUPERSEDING REVISION: 2

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

36.4 In the event the Company determines that it is necessary to install a dedicated transformer or transformers, or other equipment deemed necessary to protect the safety and adequacy of electric service to other customers, the Customer-Generator shall pay the Company's actual costs of installing the transformer or transformers, or other equipment:

36.4.1 In the case of a residential Customer-Generator who owns or operates Solar Electric Generating Equipment, Micro-Combined Heat and Power Generating Equipment, or Fuel Cell Electric Generating Equipment located and used at his or her residence or a non-residential Customer-Generator who owns or operates Solar Electric Generating Equipment with a rated capacity of not more than 25 kW, up to a maximum amount of three hundred fifty dollars (\$350);

36.4.2 In the case of a Customer-Generator who owns or operates Farm Waste Electric Generating Equipment located and used at his or her "farm operation" up to a total amount of five thousand dollars (\$5,000) per "farm operation"; and

36.4.3 In the case of a non-residential Customer-Generator who owns or operates Solar Electric Generating Equipment with a rated capacity of more than 25 kW located and used at its premises, such costs shall be determined by the Company, subject to review by the PSC if requested by the Customer-Generator.

36.5 The Company will determine if the Customer-Generator requires a single meter that enables the Company to measure net kWh provided to the Company by the Solar or Farm Waste Electric Generating System or if the Customer-Generator requires alternate net metering arrangements.

36.5.1 When the Company requires a second meter to be installed for billing purposes, the Company will be responsible for the cost of the second meter.

36.5.2 When the customer requests installation of a second meter that is not required by the utility for billing purposes, customer will be responsible for the cost of the second meter and comply with the provisions of Rule No. 25.1.2 of this Tariff.

36.6 The Company will employ the following "net energy billing" procedure to establish bills for electric service rendered to the customer by Niagara Mohawk during each monthly or bimonthly billing period. The meter(s) will be read on a monthly or bimonthly schedule in conjunction with the Company's reading of the meter installed to measure deliveries of electric energy to the customer.

36.6.1 In the event that the amount of electric energy supplied by the Company during the billing period exceeds the amount of electric energy provided by the customer to Niagara Mohawk, the Company shall charge the customer the rates provided in the retail rate schedule applicable to the customer for only the difference between these two amounts.