SERVICE CLASSIFICATION NO. 1 (Cont'd)

RESIDENTIAL SERVICE (Cont'd)

SPECIAL PROVISIONS (Cont'd)

1.7 (Cont'd)

Metering configuration will be determined by the Company. In the event that:

- the Company determines that a second meter is a necessary part of an interconnection, the costs of such meter installation will be considered to be interconnection costs pursuant to Addendum New York State Standardized Interconnection Requirements, but shall not be deemed necessary for safety and adequacy of service; or,
- (ii) the customer elects a second meter installation, the meter shall be treated as a component of the customer's generation system and the customer shall bear the cost of such meter installation.

Customers with electric hybrid generating equipment who satisfy all installation and operation requirements will be allowed to combine their purchases from and sales to the Company in a billing period. In the event that:

- (i) 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 applicable rates specified in this Service Classification.
- (ii) the amount sold to the Company exceeds the amount purchased from the Company (net sales), the difference will be transferred to the following billing period and added to amounts sold by the customer in that period. In that latter period, differences will either be billed at applicable rates as in (i) above, or transferred to the following billing period depending on whether the differences represent net purchases or net sales, respectively.
- (iii) the difference in the billing period that ends directly on or after twelve (12) months from the time the customer contracted for this service ("anniversary date") represents net sales to the Company, the Company will pay the customer for this difference 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.