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REVISION:

PSC NO: 15 ELECTRICITY COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

INITIAL EFFECTIVE DATE: 06/15/11 SUPERSEDING REVISION:

Issued in Compliance with Order in C.10-E-0645 dated May 23, 2011

SERVICE CLASSIFICATION NO. 2 (Cont'd)

GENERAL SERVICE (Cont'd)

SPECIAL PROVISIONS (Cont'd)

2.3 (Cont'd)

For non-demand metered customers in the event:

- (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.

For demand metered customers in the event:

- (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 excess on-site production shall be converted to the equivalent value at the applicable energy delivery and energy supply per kWh rates and applied as a direct credit to the customer's current total utility bill. To the extent that the value of monthly production credits exceed all components of the customer's total bill, the remaining credits shall be converted back to their kWh values and carried forward to the succeeding billing period.
- (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.

Farm service wind generators may not offset net metering credits against bills for usage metered at locations other than the net metering delivery point.