PSC No: 120 - Electricity New York State Electric and Gas Corporation Initial Effective Date: November 27, 2015 Issued in compliance with Order in Case No. 15-E-0267, dated October 16, 2015

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GENERAL INFORMATION

22. Farm Waste Electric Generating System Option (Cont'd)

- J. <u>Annual Reconciliation and Account Closure</u>
 - 1. Annual reconciliation of remaining credits:
 - Any remaining monetary credits shall be cashed out at avoided cost. For Non-Hourly Pricing customers, the cash-out payment shall be equal to the product of the kWh excess multiplied by the average avoided cost for the energy for the billing period in which the excess occurred. For Hourly Pricing customers, the payment shall be for the remaining portion of the excess credit priced at avoided cost. Upon the Company's determination that the customer has taken service under this Section 22 while in violation of the conditions of service set forth in this Schedule, the customer shall forfeit any positive balance accrued during the annual period in which the violation occurred.
 - 2. Host Account closure:

For Non-Hourly Pricing customers, any remaining monetary credits shall be cashed out at avoided cost of the supply. The cash-out payment shall be equal to the product of the kWh excess balance multiplied by the average avoided cost for the energy for the billing period in which the excess occurred. For Hourly Pricing customers, the payment shall be for the remaining portion of the excess credit priced at avoided cost. Any remaining non-avoided cost monetary credits are reset to zero.

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