PSC No: 120 - Electricity Leaf No. 117 New York State Electric and Gas Corporation Revision: 13 Initial Effective Date: March 1, 2016 Superseding Revision: 12 Issued in compliance with Order in Cases 14-M-0094, 10-M-0457, 07-M-0548, 03-E-0188, and 13-M-0412, dated January 21, 2016

GENERAL INFORMATION

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

F. Billing (Cont'd)

- 1. Facility Located and Used at Farm Operations (cont'd)
 - a. Non-Hourly Pricing (Cont'd)
 - ii. If the electricity (kWh) supplied by the customer to the Company during the billing period exceeds the electricity (kWh) supplied by the Company to the customer, a kWh credit shall be carried forward for the next billing period. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak or Day/Night, the kWh credit shall be carried forward as a credit to the appropriate time period.
 - iii. For a demand-billed farm waste customer, prior to carrying forward any kWh credit, the kWh shall be converted to a dollar value using the applicable tariff per kWh rate and applied as a credit to the current utility bill. If the dollar value of the kWh exceeds the current utility bill, any remaining dollars shall be converted back to kWh and carried forward for the next billing period as a kWh credit.

For customers billed on TOU rates, if the electricity (kWh) supplied by the customer to the Company is not metered for each TOU period and until such time as metering is installed to measure electricity supplied to the Company in each TOU period, an allocation of the electricity supplied to the Company shall be done according to the allocation factors as set forth in a Special Provision provided in each service classification in this Schedule.

b. Hourly Pricing

- i. For customers billed on Hourly Pricing, for each hour, the customer's usage and its generation are netted within the hour.
- ii. Kilowatt-hour charges are calculated using the consumption in each hour in which the customer's usage exceeds the customer's generation multiplied by the applicable price.
- iii. The Company shall maintain two monetary values for the excess credit.
 - (a) For each hour the electricity generated and supplied by the customer exceeds the customer's usage, the kWh difference is multiplied by the avoided cost for energy for that hour. The result is the excess credit priced at avoided cost for that hour.
 - (b) For each hour in which the electricity generated and supplied by the customer exceeds the customer's usage, the kWh difference is summed together and then multiplied by the sum of the remaining per kWh charges (e.g., Energy Charge, Transition Charge, Merchant Function Charge, Ancillary & NTAC, transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, SBC, TSAS, RDM, and Supply Adjustment Charge).
 - (c) The Company shall use excess credits from the prior month's bill period and the current bill period to develop a ratio between the excess credit priced at avoided cost and the excess credit for remaining per kWh charges. The excess credits are applied to the current bill. Any remaining credits are multiplied by the ratio to determine the excess credit at avoided cost and the excess credit for remaining per kWh charges to carry forward to the next month.

Residential customers who own or operate a farm operation (as defined by Agriculture and Markets Law §301(11)), and locate farm waste electric generating equipment on property they own or lease, is eligible for remote net metering as set forth in Rule 16.B.6.c.

- 2. Non-Residential Facility Located and Used at their Premises
 - a. Non-Hourly Pricing
 - i. If the electricity (kWh) supplied by the Company exceeds the electricity supplied by the customer to the Company during the billing period the customer shall be billed for the net kWh supplied by the Company to the customer at the standard service class rates. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, netting shall occur in each time period.
 - ii. If the electricity (kWh) supplied by the customer to the Company during the billing period exceeds the electricity (kWh) supplied by the Company to the customer, the Company shall provide a credit on the next bill for net electricity supplied at the Company's avoided cost Service Classification 10 energy rate. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, the kWh credit shall be a credit for the appropriate time period.

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