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PSC No: 120 - Electricity

Leaf No. 117.35

New York State Electric and Gas Corporation

Revision: 8

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Issued in compliance with Order in Case Nos. 15-E-0751 and 15-E-0082, dated March 9, 2017.

GENERAL INFORMATION

29. Micro-combined Heat and Power (MCHP) Service Option

A. Applicable to:

Any Residential Customer (as defined by HEFPA) who owns, leases or operates MCHP generating equipment. MCHP generating equipment is defined as an integrated, cogenerating building heating and electrical power generation system, operating on any fuel and of any applicable engine, fuel cell, or other technology, with a rated capacity of at least one kW and not more than 10 kW electric and any thermal output that at full load has a design total fuel use efficiency in the production of heat and electricity of not less than 80%, and annually produces at least 2,000 kWh of useful energy in the form of electricity that may work in combination with supplemental or parallel conventional heating systems, that is manufactured, installed and operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in conjunction with an electric company's transmission and distribution facilities. Such system must be connected to the customer's electric system and operated in parallel with the Company's transmission and distribution facilities. A customer may include energy storage equipment when submitting an application for net metering pursuant to this Rule.

Customers electing service under this provision must execute a New York State Standardized Contract for Interconnection of New Distributed Generation Units with Capacity of 5 MW or Less Connected in Parallel with Utility Distribution Systems ("SIR Contract"). In addition, customers must operate in compliance with standards and requirements set forth in the New York State Standard Interconnection Requirements and Application Process for New Distributed Generators 5 MW or Less Connected in Parallel with Utility Distribution Systems, as set forth within Addendum-SIR of P.S.C. No. 119.

B. Term

1. "Existing": The Company shall calculate credits in accordance with Section 29.D. for the life of the MCHP generating system for a customer that on or prior to March 9, 2017 has:
 - a. completed Step 4 of the SIR Addendum for MCHP generating equipment less than 50 kW; or
 - b. installed MCHP generating equipment on or prior to March 9, 2017.
2. "Phase One NEM": The Company shall calculate credits in accordance with Section 29.D. for a period of up to 20 years from the project's in-service date for a customer that installs generating equipment and does not meet the requirement in 1.) above (i.e., interconnected after March 9, 2017), and has: made payment for 25% of its interconnection costs or has executed a Standard Interconnection Contract if no such payment is required by July 17, 2017.

C. Metering

For a net metered customer, the Company shall install metering appropriate for the customer's service classification that enables the Company to measure the electricity delivered to the customer and measure the electricity supplied by the customer to the Company. Where the Company determines that a second meter should be installed, no additional costs shall be billed to the customer. When a second meter is requested by the customer that is not required by the Company, the customer shall be responsible for the cost of the meter, the installation and any additional costs.

D. Billing

For each billing period during the term of the SIR Contract, the Company shall net the electricity (kWh) delivered to the customers with the electricity (kWh) supplied by the customer to the Company.

- a) 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 or Day/Night, netting shall occur in each time period.
- b) 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 or Day/Night, the kWh credit shall be a credit for the appropriate time period.

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York