

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: ~~January~~ June 1, 2023  
Issued in compliance with Orders in Case No.19-E-0079, dated ~~May 18~~ November 21, 2023.

Leaf No. 285  
Revision: ~~87~~  
Superseding Revision: ~~76~~

SERVICE CLASSIFICATION NO. 11 (Continued)

**OPTIONAL STANDBY SERVICE RATE IS APPLICABLE TO: (Cont'd.)**

**2. A Designated Technology Customer is defined as:**

- a) A customer operating OSG that exclusively uses one or more of the following technologies and/or fuels for producing electricity:  ~~solar thermal; photovoltaics ("PV"); on land and offshore wind; hydroelectric; geothermal electric; geothermal ground source heat; tidal energy; wave energy; ocean thermal; fuel cell; wind; solar thermal; photovoltaics ("PV"); sustainable managed biomass; tidal; geothermal; or methane waste,~~ or
- b) Uses small, efficient types of combined heat and power ("CHP") generation that do not exceed 15 MW of capacity and is operational prior to May 31, 2021, and conforms with the following criteria:
  - i. Sized to serve no more than 100% of the Customer's maximum potential demand.
  - ii. Annual overall efficiency should not be less than 60% based on the higher heating value (HHV) of the fuel input;
  - iii. The usable thermal energy component should absorb a minimum of 20% of the CHP facility's total usable annual energy output;
  - iv. The size limits shall be determined by aggregating the nameplate ratings of the generation units, installed at its location, excluding emergency generation units used only during a utility distribution system failure or in response to the NYISO Emergency Demand Response Program;
  - v. An eligible CHP facility shall demonstrate to the utility that its generation installation meets an environmental standard of no more than 4.4 lbs./MWh of NO<sub>x</sub> emissions, based on its electrical and mechanical output or its rated capacity, or as updated by the Department of Environmental Conservation (DEC);
  - vi. Customers shall comply with the above criteria and;
    - 1. Monitor and record efficiency data, which shall include the annual quantity of fuel fired, the annual quantity of generated electricity, and the annual quantity of the thermal heat recovered in the heat recovery process.
    - 2. Have records available for utility inspection,
    - 3. Retain the records for a 3-year period.
    - 4. An additional meter will be required for CHP generating facilities greater than 1 MW. The customer shall be required to install, at their expense, revenue grade, interval meters to measure generation output and additional telemetry equipment capable of transmitting operational information to the Company; or
- c) A customer operating electric energy storage with a maximum inverter capability of up to and including 1 MW; or
- d) A customer operating fuel cell units which utilize biofuels or hydrogen, provided that the manufacture or production of such fuels does not include the combustion or electrolysis of fossil fuels, or the use of fossil fuels or non-renewable grid power in the conversion process.
  - e)i. Biomass, Biogas and Fuel cells which utilize fossil fuel resources installed prior to June 1, 2023 shall remain exempt in accordance with the customer's election. Biomass, Biogas and Fuel cells which utilize fossil fuel resources installed on or after June 1, 2023 are not eligible for the Designated Technologies Exemption.

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SERVICE CLASSIFICATION NO. 11 (Continued)

**OPTIONAL STANDBY SERVICE RATE IS APPLICABLE TO: (Cont'd.)**

**3. Designated Technology Exemption of Standby Rates**

- a) Customers whose facilities are placed in service ~~after~~between July 29, 2003 ~~and May 31, 2023~~, and meet the definitions of both Existing Customers and Designated Technology Customers, shall be considered to be Designated Technology Customers for purposes of this section.
- b) Designated Technology Customers whose facilities are placed in service ~~after~~between July 29, 2003 ~~and May 31, 2023~~, have the option to make a one-time election to be permanently exempt from standby service rates rather than electing full standby service rates upon providing 30 days' written notice before commencing operation of the OSG facility.
- c) Existing OSG projects that upgrade by installing designated technology components, or hybrid projects comprised in part of designated technology components, are eligible for the designated technology exemption only for the upgraded components and only if those components are separately metered.

**OPTIONAL ELECTION OF SERVICE RATE FOR CUSTOMERS WITHOUT ON-SITE GENERATION**

**1. Demand Metered**

- a) A demand-metered customer that does not have OSG may opt to select the applicable rates under this Service Classification and be billed under such rates for a period of not less than twelve months in lieu of the rates under their OASC.
- b) Customers are required to have interval metering and shall adhere to the Metering and Communication Requirements as set forth herein, and shall be responsible for all incremental costs associated with such metering and communication.
- c) The Contract Demand shall be established by the Company as set forth in the Company Set Contract Demand section of this Service Classification.
- d) As provided in Rule 7, Revenue Decoupling Mechanism, the delivery revenues of customers without OSG opting to take Standby Service shall be included in the "Actual Billed Delivery Service Revenues" for the customer's OASC.