PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: NOVEMBER 17, 2017

LEAF: 198.1 REVISION: 2 SUPERSEDING REVISION: 1

GENERAL INFORMATION

36. Net Metering for Solar Electric Generating Equipment, Farm Waste Electric Generating Equipment, Micro-Combined Heat and Power Generating Equipment, Fuel Cell Electric Generating Equipment, and Micro-Hydroelectric Generating Equipment

36.3 This program will be available to qualifying customers on a first come, first served basis, until the ceiling for Solar and Farm Waste Electric Generating Equipment, Micro-Combined Heat and Generating Equipment, Fuel Cell Generating Equipment, and Micro-Hydroelectric Generating Equipment owned, leased, or operated by Customers in the Company's service territory in accordance with Rule No. 36.1.8 is reached. The ceiling will automatically decrease as these projects are taken out of service to match the capacity of projects remaining in service, but the ceiling will not decrease below 65.36 MW, representing one percent of the Company's peak load for the year 2005.

36.4 In the event the Company determines that it is necessary to install a dedicated transformer or transformers, or other equipment deemed necessary to protect the safety and adequacy of electric service to other customers, the Customer-Generator shall pay the costs in Rule No. 53 – Standardized Interconnection Requirements and Application Process for New Distributed Generators 5 MW or Less Connected in Parallel to Utility Distribution Systems (Addenda – SIR).

36.5 The Company will determine if the Customer-Generator requires a single meter that enables the Company to measure net kWh provided to the Company or if the Customer-Generator requires alternate net metering arrangements.

36.5.1 When the Company requires a second meter to be installed for billing purposes, the Company will be responsible for the cost of the second meter.

36.5.2 When the customer requests installation of a second meter that is not required by the utility for billing purposes, customer will be responsible for the cost of the second meter and comply with the provisions of Rule No. 25.1.2 of this Tariff.

36.6 The Company will employ the following "net energy billing" procedure to establish bills for electric service rendered to the customer by Niagara Mohawk during each monthly or bimonthly billing period. The meter(s) will be read on a monthly or bimonthly schedule in conjunction with the Company's reading of the meter installed to measure deliveries of electric energy to the customer.

36.6.1 In the event that the amount of electric energy supplied by the Company during the billing period exceeds the amount of electric energy provided by the customer to Niagara Mohawk, the Company shall charge the customer the rates provided in the retail rate schedule applicable to the customer for only the difference between these two amounts.

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LEAF: 202.1 REVISION: 5 SUPERSEDING REVISION: 4

GENERAL INFORMATION

37. NET METERING FOR RESIDENTIAL, FARM SERVICE AND NON-RESIDENTIAL WIND ELECTRIC GENERATING SYSTEMS AS DEFINED IN PUBLIC SERVICE LAW ("PSL") 66-L

A Customer-Generator who qualifies per the above may designate all or a portion of their excess net metering credits generated by such equipment to any property owned or leased and in the same name as the Customer-Generator. The Company reserves the right to obtain proof that all accounts are held by the qualifying Customer-Generator. For purposes of this Rule 37.10, the account where the generator is connected will be defined as the host account and those eligible accounts that are designated by the host account to receive excess net metering credits will be defined as satellite accounts.

37.10.1 The host account Customer-Generator must designate their satellite accounts and the portion of their net metering credits designated to these satellite accounts when submitting their initial remote net metering application. After the initial application, the host account may change the above designations and/or portion of their net metering credits designated to the satellite accounts on January 1 of each year thereafter.

37.10.1.1 A satellite account may have more than one host account Customer Generator. In the event a satellite has more than one host account Customer-Generator, the aggregate generator nameplate capacity of net metered electric generating equipment of all hosts, inclusive of any net metering generation located at the satellite account, shall not exceed 2 MW. The limit of the Customer-Generator's nameplate capacity for each host's generating equipment must be in compliance with the limits set forth for each technology in PSL 66-1.

367.10.1.2. Projects with multiple hosts that were either in-service or under development before December 1, 2015 that would exceed a total generating capacity over the 2MW limit serving a Satellite Account will be grandfathered and exempt from the 2MW limit in Rule 36.10.1.1 if any of the following criteria were met by December 1, 2015.

1) Projects that have been interconnected by December 1, 2015; or

2) Projects for which developers have submitted a completed preliminary interconnection application to the Company by December 1, 2015; or

3) Projects that have completed applications for grants through Program Opportunity Notices ("PONs") 2112, 2439, 2589, 2860, and 2956 conducted by the New York State Energy and Research Development Authority ('NYSERDA"); or

4) Projects that have completed applications for grants in NYSERDA's NY-Sun MW Block Program for projects sized more than 200 kW By December 1, 2015; or

5) Projects that a state, municipal, district, or local governmental entity has solicited through a Request for Proposals or a Request for Information issued in conformance with applicable law.

6) A project must enter service by the date specified in the NYSERDA PONs or NY-Sun MW Block Program for projects sized at more than 200 kW, or another governmental entity process, as that date may be extended by the relevant governmental entity, or by December 31, 2017, if no date is specified by a governmental entity

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LEAF: 202.3 REVISION: 3 SUPERSEDING REVISION: 2

GENERAL INFORMATION

37. Net Metering for Residential, Farm Service and Non-Residential Wind Electric Generating Systems as Defined in Public Service Law ("PSL") 66-1

37.11.3 If a satellite account is billed under time-of-use rates, the kWh credits shall be applied in proportion to the usage in each time period.

37.11.4 Any volumetric credits remaining in excess of the amount required to reduce the satellite account's billed kWh to zero will be returned to the Host Account.

37.12 Remote net metered customers will be allowed to retain monetary crediting at qualifying remote net metered locations if they meet the following criteria and conditions:

37.12.1 Projects that have been interconnected by June 1, 2015; or

37.12.2 Projects for which developers have submitted a completed preliminary interconnection application to the Company by June 1, 2015; or

37.12.3 Projects that have completed applications for grants through Program Opportunity Notices ("PONs") 2112, 2439, 2589, 2860, and 2956 conducted by the New York State Energy and Research Development Authority ('NYSERDA"); or

37.12.4 Projects that have completed applications for grants in NYSERDA's NY-Sun MW Block Program for projects sized more than 200 kW by June 1, 2015; or

37.12.5 Projects that a state, municipal, district, or local governmental entity has solicited through a Request for Proposals or a Request for Information issued in conformance with applicable law.

37.12.6 To retain the monetary crediting, a project must enter service by the date specified in the NYSERDA PONs in 36.7.6.3 or NY-Sun MW Block Program for projects sized at more than 200 kW, or another governmental entity process, as that date may be extended by the relevant governmental entity, or by December 31, 2017 if no date is specified by a governmental entity

37.12.7 Remote net metered customers who participate in NYSERDA_PONs in Rule 37.12.3 or NY-Sun MW Block Program in Rule 37.12.4 would also be eligible to retain monetary crediting as long as the following four criteria are met:

- 1. The project developer has provided payment, prior to March 1, 2016, for a Coordinated Electric System Interconnection Review (CESIR) study;
- 2. The project developer has demonstrated that, upon receipt of the CESIR study results, the estimated construction schedule indicates a final authorization to interconnect on or after July 1, 2017;
- 3. The project developer has made payment, of the full or at least the first installment amount for the estimated utility interconnection costs necessary to support the project, by January 31, 2017; and,
- 4. The project developer has, by November 30, 2017, submitted an affidavit from the engineer of record for the project on the end-use customer's side of interconnection point has been physically constructed and that the only remaining requirements to interconnect the equipment depend upon utility, such as remaining utility construction and/or authorization to interconnect.