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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
 - 36.7 Remote Net Metering

To qualify for remote net metering, the Customer-Generator must be:

- Residential customers who own or operate a farm operation (as defined by Agriculture and Markets Law §301(11)) and locate solar photovoltaic equipment on property he or she owns or leases as defined in Rule 36.1.1.1.
- 2) A non-residential Solar Electric Customer-Generator, as defined in Rule 36.1.2.
- 3) Farm Waste Customer-Generator, as defined in Rule 36.1.3.
- 4) Micro-Hydroelectric Customer-Generator, defined as one who owns or operates microhydroelectric generating equipment with a rated capacity conforming with Rule No. 36.1.6 and used at a "farm operation" as defined in Subdivision 11 of Section 301 of the Agriculture and Markets Law.
- 5) Non-residential Micro-Hydroelectric Customer-Generator, as defined in Rule 36.1.6.
- 6) Residential Fuel Cell Customer-Generator as defined in Rule 36.1.5, who operate a farm operation as defined in Subdivision 11 of Section 301 of the Agriculture and Markets Law, or a non-residential Fuel Cell Customer-Generator.
- 7) Non-Residential Farm Waste Customer-Generator as defined in Rule 36.1.3.
- 8) Residential and non-residential customers who own or operate stand-alone energy storage, subject to the requirements described in Rule 40.2.1.1.2.

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 36.7, 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.

Effective September 1, 2021, projects that qualify for Remote Net Metering under Rule 36.7 and are compensated under, or meet the requirements of, Rule 40.2 – Value Stack compensation must adhere to Remote Crediting rules specified in Rule 66. A Customer-Generator that is eligible for, and participating in, Remote Net Metering under Rule 36.7, is permitted to make a one-time irrevocable election to opt-in to Remote Crediting as specific in Rule 66.

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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.

Effective September 1, 2021, projects that qualify for Remote Net Metering under Rule 37.10 and are compensated under, or meet the requirements of, Rule 40.2 – Value Stack compensation must adhere to Remote Crediting rules specified in Rule 66. A Customer-Generator that is eligible for, and participating in, Remote Net Metering under Rule 36.10, is permitted to make a one-time irrevocable election to opt-in to Remote Crediting as specific in Rule 66.

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.

37.10.1.2. 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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GENERAL INFORMATION

40. VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

40.2.1.2 A mass market customer (defined as a customer served under a residential or small commercial service class that is not billed for demand) that is not eligible for Phase One NEM as set forth in Rule 40.1;

40.2.1.3 A large on-site customer (non-residential, demand-billed customer) that installs on-site generation that is not used to offset consumption at any other site, for which the Eligibility Date is after July 17, 2017. The Eligibility Date is defined herein as the date at which 25% of the interconnection costs have been paid or a Standard Interconnection Contract has been executed if no such payment is required;

40.2.1.4 A project eligible for RNM, pursuant to Rules 36.7 and 37.10, for which the Eligibility Date is after July 17, 2017, will be compensated under the Remote Crediting methodology, as specified in Rule 66, beginning September 1, 2021. The requirement that satellite accounts must be in the same load zone as the host account Customer-Generator specified in Rule 36.7.2 and 37.10.2 shall not apply to RNM-Remote Crediting projects compensated under this Rule 40.2;

40.2.1.5 A project eligible for CDG, pursuant to Rule 29, for which the Eligibility Date is after July 17, 2017. The requirement that CDG Hosts and associated CDG Satellites must be in the same load zone as specified in Rule 29.1.2 shall not apply to CDG projects compensated under this Rule 40.2;

40.2.1.6 A CDG <u>customer</u>, <u>RNM Remote Crediting customer as specified in Rule</u> <u>66</u>, or large on-site customer as specified in Rule 40.2.1.1 with a Facility paired with energy storage ("Hybrid Facility"), subject to the additional requirements in Rule 40.2.3.2;

40.2.1.7 A CDG <u>customer</u>, <u>RNMRemote Crediting customer as specified in Rule 66</u>, or large on-site customer who has not met the requirements in Rule No. 40.1.3 to qualify for Phase One NEM; or

40.2.1.8 A customer with a Facility compensated pursuant to Rule No. 36 or 40.1 may opt to take service under this Rule. Such election shall be a one-time election and shall be irrevocable.

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GENERAL INFORMATION

40. VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER) (Continued)

Opting In to the Value Stack by Existing Generators Greater than 2 MW and up to 5 MW

40.2.1.9 In accordance with the order issued February 22, 2018 in Case 15-E-0751, eligibility for participation in the Value Stack tariff for projects that are currently eligible up to 2 MW, was expanded for projects greater than 2 MW up to 5 MW. Eligible projects include on-site projects, RNM projects, and CDG projects, as well as multiple remote generators at host sites and a generator located at the satellite account with a cumulative rated capacity of up to 5 MW. Projects will continue to be subject to fuel source requirements and other technical requirements included in this tariff in accordance with statutes listed in Rule 40.2.1. Projects must be in conformance with the criteria as set forth in Rule 36.1.7;

40.2.1.9.1 The expanded eligibility in Rule 40.2.1.9 above does not apply to residential customers who own, lease, or operate eligible Micro-Combined Heat and Power Generating Equipment as set forth in Rule 36.1.4;

40.2.1.9.2 Existing generators sized greater than 2 MW and up to 5 MW that meet the eligibility criteria in Rule 40.2.1, and not currently compensated under the Value Stack tariff, shall be permitted to opt-in to participation in the VDER tariff and receive Value Stack compensation.

40.2.1.9.3 The projects described in Rule 40.2.1.9 will be subject to the same rules as projects of 2-5 MW or less that opt into the Value Stack tariff, including the limitation of environmental compensation to projects that meet the CES requirements, regardless of vintage date, and other applicable CES requirements_z. RNM projects that opt into the Value Stack will be subject to Remote Crediting methodology as specified in Rule 66.

40.2.1.9.4 If the project is eligible for the Market Transition Credit ("MTC") or Community Credit per Rule 40.2.3.1, it will be placed in the Tranche that is open at the time the project opts in and will receive compensation based on that Tranche.

40.2.1.9.5 Existing interconnected generating facilities that move to the Value Stack tariff without any change to the characteristics of the existing generator are not subject to the interconnection procedures specified in the Standard Interconnection Requirements ("SIR"). Projects receiving compensation for renewable attributes through the Renewable Portfolio Standard, including the Maintenance Tier, or through Tier 2 of the CES, are permitted to opt-in to the Value Stack Tariff and receive elements of the Value Stack other than the Environmental Value.

40.2.1.9.6 The Company will accommodate requests to opt-in to the Value Stack tariff by identifying necessary metering changes and installing the appropriate meters within a reasonable period of time after receipt of the request and payment by the Customer-Generator of any charges related to the change in metering.

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GENERAL INFORMATION

40. VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER) (Continued)

40.2.2 Requirements:

All projects compensated under the VDER Value Stack must be equipped with interval meters, in accordance with Rule No. 25 – Meter, capable of recording net hourly consumption and injection. The customer will be responsible for the cost of such interval meters. Alternatively, customers can arrange for their Facility to be separately metered from their consumption with the additional metering cost to be borne by the customer in accordance with Rule No. 25 – Meter.

40.2.2.1 For <u>new RNM VRemote Crediting</u> and CDG projects, interval metering must be installed by the time of interconnection.

40.2.2.2 For large on-site projects, where an insufficient meter may be present, interval metering should be installed as soon as practicable.

40.2.2.3 Any mass market customer that opts into the VDER Value Stack tariff must have an interval meter installed before VDER Value Stack compensation can be received.

40.2.3 VDER Value Stack Crediting:

In each billing period, the Company shall pay a credit to the project for net hourly injections from the Facility by summing the credits available from the individual VDER Value Stack components as calculated in Rule 40.2.3.1 for projects that are not paired with energy storage and in Rule 40.2.3.2 for Hybrid Facilities.

40.2.3.1 Projects Not Paired with Energy Storage:

i. Value Stack Energy Component:

The Value Stack Energy Component is based on the NYISO day-ahead hourly zonal LBMP, inclusive of losses, applied to the project's hourly net injections in the billing period; losses will vary by voltage delivery level as specified in Rule 39.18.1.1.

For CDG projects participating in the CDG Net Crediting Program, the applicable Value Stack Energy Component calculated above will be included in the calculation of the Value Stack Credits that will apply to CDG Satellites as specified in Rule 29.4.

For CDG projects not participating in the CDG Net Crediting Program, as specified in Rule 29.4, the Value Stack Energy Component calculated will be determined for each satellite by multiplying the sum of the hourly components calculated above by the satellite's allocation percentage in effect for the billing period as provided by the CDG project sponsor. The Energy Component associated with any percentage remaining when the sum of the satellite percentages is less than 100% ("Unallocated Satellite Percentage") will be banked for later distribution by the CDG project sponsor as specified in Rule 40.2.5.

PSC NO. 220 ELECTRICITY LEAF: 220.8 NIAGARA MOHAWK POWER CORPORATION REVISION: <u>+3</u> INITIAL EFFECTIVE DATE: <u>JUNE 1, 2019SEPTEMBER 1, 2021</u> SUPERSEDING REVISION: <u>01</u> STAMPS: Issued in Compliance with Order in Case <u>15 E 075119-E-0735</u> issued <u>April 18, 2019July 15, 2021</u>.

GENERAL INFORMATION

40. VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER) (Continued)

Carryover of VDER Value Stack Credits:

40.2.5 Projects eligible for the VDER Value Stack will receive compensation for a term of 25 years from the project's interconnection date and will have the ability to carryover excess credits to subsequent billing periods and annual periods as follows:

- i. Excluding credits held by CDG project sponsors, unused credits may be carried over to the next monthly billing period, including to the next annual period.
- ii. At the end of a project's compensation term, any unused credits will be forfeited.
- iii. CDG project sponsors will be given a two-year grace period beyond the end of each annual period to distribute any credits they retain at the end of that annual period. CDG sponsors are not required to allocate excess or banked credits to all satellites or to allocate these credits in the same proportion as monthly generation is allocated. However, CDG sponsors must ensure that their allocation of banked credits is consistent with the requirements that 60% of a project's credits be allocated to mass market customers. CDG sponsors will notify the Company of which satellites will receive the retained credits and by what percentages using a form provided by the Company.
- iv. For <u>RNM-Remote Crediting</u> projects, the <u>remaining allocated</u> monetary credit shall be applied to <u>electric</u> charges on the <u>RNM-Remote Crediting Host and</u> Satellite Account(s) bills in accordance with Rule <u>36.7.4.2.266</u>.
- v. If the CDG project sponsor has credits in its account throughout the grace period, then at the end of the grace period the CDG project sponsor will be required to forfeit a number of credits equal to the smallest number of credits that were in its account at any point during the grace period, since that represents the number of credits that were held over from the previous period.
- vi. CDG project sponsors will only be permitted to retain credits for distribution during the two-year grace period if those credits remain after the CDG project sponsor has distributed as many credits as practicable to CDG satellites, such that each CDG satellite's consumption in the final month of the annual period is fully offset by the credits provided.

40.2.6 The VDER Value Stack Components will be shown on a statement filed with the PSC apart from this rate schedule not less than three days before its effective date.

40.2.7 The VDER Value Stack compensation shall begin with the eligible project's first full billing cycle after November 1, 2017.

40.2.8 Projects that qualified for VDER Value Stack compensation on or before July 26, 2018, excluding CDG projects and any projects receiving the MTC Component, are allowed a one-time, irrevocable election to receive compensation for the Capacity Component, DRV Component, and LSRV Component (if applicable), that is applicable to projects that qualified after July 26, 2018. This election must be for all Components applicable to the project.

PSC NO. 220 ELECTRICITY -LEAF: 220.9 NIAGARA MOHAWK POWER CORPORATION REVISION: <u>+2</u> INITIAL EFFECTIVE DATE: <u>OCTOBER-SEPTEMBER</u> 1, <u>2020</u>2021 SUPERSEDING REVISION: <u>01</u> STAMPS: Issued in Compliance with Order in Case <u>19-E-0735 issued July 15, 2021+9 M-0463 issued December 12, 2019</u>.

GENERAL INFORMATION

40. VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

40.3 Value of Distributed Energy Resources (VDER) Value Stack Cost Recovery

The VDER Value Stack Cost Recovery provides for recovery of costs incurred by the Company from customers, as approved by the Commission, for compensation provided to eligible projects under the VDER Value Stack Rule 40.2, and the <u>VDER</u> Value Stack Compensation for CDG projects participating in the CDG Net Crediting Program in Rule 29.4, and Remote Crediting projects under Rule 66.

40.3.1 The VDER Value Stack Cost Recovery is applicable to all customers taking service under P.S.C 220 and 214 Electricity, regardless of supplier. The VDER Value Stack Cost Recovery will be applicable to all delivery customers' load, including NYPA load delivered by the Company and economic development-qualifying load in Rule 34, with the exception of the Environmental Market Value Costs which will apply to all supply customers as specified in 40.3.2.3.

40.3.2 The Recovery of the VDER Value Stack Costs will be determined on a VDER Value Stack component basis for applicable service classes using allocation methods as further described below:

40.3.2.1 Capacity Market Value Cost Recovery

40.3.2.1.1 The Capacity Market Value costs will be determined for the recovery month as the product of i) the sum of all VDER Value Stack project's net injections at the hour of the NYISO system peak during the previous calendar year and ii) the average of the NYISO monthly spot auction capacity prices for the previous calendar year.

40.3.2.1.2 The Capacity Market Value costs will be recovered from all delivery customers, allocated by service class based on the most recent transmission demand allocator (*i.e.*, single coincident peak) from the Company's most current embedded cost of service study (ECOS).

40.3.2.1.3 The Capacity Market Value costs will be recovered on a per kWh basis for non-demand customers and a per kW basis for demand customers.

40.3.2.2 Capacity Out of Market Value Cost Recovery

40.3.2.2.1 The Capacity Out of Market Value costs will be determined monthly as the difference between i) the sum of all VDER Value Stack Capacity Components paid to projects and satellites, where applicable, during the recovery month and ii) the Market Value determined in 40.3.2.1 for the recovery month.

40.3.2.2.2 The Capacity Out of Market Value costs will be recovered from all delivery customers, with respective costs allocated to the service classes of the projects and satellites, where applicable, who receive the VDER Value Stack Capacity Component credits, in proportion to the credits that projects and satellites, where applicable, of each service class receive.

40.3.2.2.3 The Capacity Out of Market Value costs will be recovered on a per kWh basis for non-demand customers and a per kW basis for demand customers.

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| NIAGARA MOHAWK POWER CORPORATION | REVISION: 0 |
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GENERAL INFORMATION

REMOTE CREDITING 66.

Remote Net Metering (RNM) projects that qualify for Value Stack compensation under Rule 40.2.1 will transition to Remote Crediting, effective September 1, 2021, and continue to be compensated under the Value Stack.

66.1 Remote Crediting Eligibility:

Remote Crediting is available only to:

- 1) previously-eligible RNM projects compensated under the Value Stack Rule 40.2,
- 2) new Remote Crediting projects interconnected after September 1, 2021 compensated under the Value Stack Rule 40.2, and
- 3) volumetric RNM projects eligible under Rules 36.7 and 37.10 that opt into the Value Stack, according to Rule 66.2 provisions.

Remaining monetary credits on the Host account for those RNM projects transitioning to Remote Crediting will be the starting balance of the new Remote Crediting Host bank. RNM projects transitioning to Remote Crediting retain any Value Stack Eligibility Date lock-in rates, as described in Rule 40.2.3.1, as well as the project's originally-established term limit.

Only non-residential customers and farm-residential customers will be permitted to participate as Remote Crediting Hosts. Customers taking service under Service Classification No. 7 - Sale of Standby Service to Customers are not permitted to participate in Remote Crediting as a satellite or as a host. A Remote Crediting Satellite cannot participate as a Remote Crediting Host nor can a Remote Crediting Host be a Remote Crediting Satellite.

Remote Crediting projects are eligible to serve a maximum of ten (10) autonomous customers, with each autonomous customer permitted to enroll unlimited accounts provided the accounts are all in the same name. The Remote Crediting Host customer counts towards the maximum of ten (10) autonomous customers. The requirement that all satellite accounts be in the same customer name and same load zone as the Host account, as specified in Rule 36.7.2 and 37.10.2, do not apply to Remote Crediting projects. However, Remote Crediting projects and their satellite accounts must be located in the Company's service territory.

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GENERAL INFORMATION

66.- REMOTE CREDITING (Continued)

66.2 Remote Crediting Opt-in:

Projects taking service under Rules 36.7 and 37.10 are eligible to make a one-time, irrevocable election to take service under this Rule 66. Non-Value Stack RNM projects that opt into the Value Stack as of September 1, 2021 must adhere to the rules and requirements of Remote Crediting. Volumetric RNM projects that opt into Remote Crediting will forfeit any banked volumetric credits on the existing project before commencing with Remote Crediting, and such project's Value Stack Eligibility Date shall be the date in which the project opts into Remote Crediting.

Interconnected CDG projects, whether volumetric, monetary, Value Stack, or Net Crediting, are not eligible for Remote Crediting until such time that rules and eligibility requirements are established by the PSC for transitioning CDG projects into the Remote Crediting program.

66.3 Satellites Participating in Multiple Projects:

Remote Crediting Satellite accounts are permitted to participate in multiple Remote Crediting projects but are not permitted to participate in Rule 36.7 RNM projects, Rule 37.10 RNM projects, or Rule 29 CDG projects, as a host or as a satellite. Remote Crediting Hosts must notify the Company if a Remote Crediting Satellite has multiple Remote Crediting hosts on any allocation form submitted to the Company.

Remote Crediting Satellites that participate in multiple Remote Crediting projects or are Customer-Generators are limited to a cumulative total of 5 MW of installed capacity allocated to the Remote Crediting Satellite account as determined by adding the total installed on-site capacity to the allocated capacity from all Remote Crediting projects of which the Remote Crediting Satellite is a participant.

If it is determined that the Remote Crediting Satellite account is receiving more than the aggregated capacity of 5 MW, the Company will suspend any application of credits to the Remote Crediting Satellite and those credits will remain with the appropriate Remote Crediting Host banks. Allocation of credits to the Remote Crediting Satellite will resume once the sum of the Remote Crediting Host allocations does not exceed 5 MW.

The Remote Crediting Host must certify in writing to the Company, both prior to commencing Remote Crediting and with each allocation form submitted, that it has met all program criteria set forth in Commission's orders and detailed in the Company's tariff, including, but not limited to, certifying that the cumulative total installed capacity of each Remote Crediting Satellites does not exceed 5 MW.

In the event a Remote Crediting Satellite participates in multiple Remote Crediting projects, the Value Stack credit applied to the satellite account's current electric charges will be determined on a pro rata basis based on each Remote Crediting Host's total allocation to the satellite in that billing period. If the Remote Crediting Satellite is also a Customer-Generator, any on-site generation credits will be applied prior to any application of Remote Crediting Value Stack credits.

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GENERAL INFORMATION

66. REMOTE CREDITING (Continued)

66.4 Remote Crediting Allocations:

Remote Crediting Hosts are required to allocate, on a percentage basis, the monthly Value Stack credits to each of the project's satellite accounts, as well as to the Remote Crediting Host account, such that the allocation totals 100 percent. If the Remote Crediting allocation list totals less than 100 percent, the unallocated portion will be applied to the Remote Crediting Host account bank. Allocations that total more than 100% shall be rejected by the Company and the Remote Crediting Host will be required to revise and resubmit the Remote Crediting allocation form. By including a customer account number on the allocation form, the Remote Crediting Host certifies they have received written authorization from the customer to allocate credits to the customer's account.

The Remote Crediting Host is permitted to receive no allocation of credits by indicating such on the allocation form. This exclusion is permitted only on the Remote Crediting Host account on which the generating asset is located. In the event a Remote Crediting Host chooses not to receive monthly allocations, yet credits are held in the host bank, the Remote Crediting Host's electric charges will be offset by those credits in the host bank.

If no allocation form is provided by the Remote Crediting Host to the Company within thirty (30) days of interconnection to the Company's distribution system, all Value Stack compensation will, after satisfying all electric charges of the Remote Crediting Host, be allocated to the Remote Crediting Host bank. Until such time as a completed allocation form is received and accepted by the Company, any excess credit remaining in the Remote Crediting Host bank after satisfying all electric charges of the Remote Crediting Host bank after satisfying all electric charges of the Remote Crediting Host bank after satisfying all electric charges of the Remote Crediting Host bank after satisfying all electric charges of the Remote Crediting Host will continue to be banked and available for future Remote Crediting Host bank allocation.

66.4.1 Remote Crediting Monthly Allocations:

The Remote Crediting Host may modify its associated satellite accounts and/or the percentage allocated to such satellites by submitting a revised allocation form to the Company with the new percentages and new satellite accounts with no less than thirty (30) days' notice before the Remote Crediting Host account's billing date to which the modifications are intended to apply.

66.4.2 Remote Crediting Host Bank Allocations:

The Remote Crediting Host may allocate any portion of credits banked on its account to any active, participating satellites as well as to its host account. Remote Crediting Hosts are required to furnish to the Company, with no less than thirty (30) days' notice before the Remote Crediting Host's account's billing date to which the modifications apply, an allocation form for disbursement of credits banked on the Remote Crediting Host. If instructions are not timely received by the Company for banked disbursements, no disbursement will be made from the Remote Crediting Host bank, and banked credits will remain on the Remote Crediting Host account for future host bank allocations.

| PSC NO. 220 ELECTRICITY | LEAF: 263.37 |
|---|-----------------------|
| NIAGARA MOHAWK POWER CORPORATION | REVISION: 0 |
| INITIAL EFFECTIVE DATE: SEPTEMBER 1, 2021 | SUPERSEDING REVISION: |
| STAMPS: Issued in Compliance with Order in Case 19-E-0735 issued July 15, 2021. | |

GENERAL INFORMATION

66. REMOTE CREDITING (Continued)

66.5 Remote Crediting Billing and Carry Over:

The Company will calculate Value Stack compensation for the project on the Remote Crediting Host bill date according to Rule 40.2.3.1 and allocate credits in accordance with the percent allocations provided by the Remote Crediting Host. Any credit allocated to the Remote Crediting Host account or to Remote Crediting Satellite accounts will be applied up to the customer account's electric charges on that bill. Any remaining unused credits for that account will be carried over on the Remote Crediting Host or Remote Crediting Satellite's respective accounts for possible allocation in the next billing period.

<u>Credits remaining on the Remote Crediting Host account at the end of the billing period will be</u> <u>available to offset the Remote Crediting Host's electric charges on its next bill, or for future host</u> <u>bank disbursement to participating Remote Crediting Satellite accounts according to instructions</u> provided to the Company by the Remote Crediting Host per Rule 66.4.2.

In the event a Remote Crediting Satellite account is canceled or dropped from the relationship, any remaining credits on the Satellite account, after satisfying the accounts' final electric charges, will be returned to the Remote Crediting Host account and become available to offset the host electric charges or for allocation to the remaining Remote Crediting Satellite accounts in future host bank disbursements. If the canceled or dropped Remote Crediting Satellite account is a participant in multiple Remote Crediting projects, the credits will be returned to each Remote Crediting host proportional to the percent of installed capacity allocated to that Remoted Crediting Satellite account from each such project.

The Company will rely exclusively on the monthly allocation request form to verify a Remote Crediting Satellite account's participation in a Remote Crediting project.

In the event a Remote Crediting Host account is canceled, or at the end of the term of service, the Remote Crediting Host will forfeit any Value Stack credits that remain in the host bank after these credits have been applied to the Remote Crediting Host account's final bill and each Remote Crediting Satellite's current bill.