

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: JANUARY 1, 2012
STAMPS: Issued in Compliance with Order Issued December 16, 2011 in Case No. 10-E-0050

LEAF: 418
REVISION: 5
SUPERSEDING REVISION: 4

SERVICE CLASSIFICATION NO. 7 (Continued)

4. Exemptions From SC-7 (Continued)

- iv. An eligible CHP facility shall demonstrate to the Company that its generation installation meets an environmental standard of no more than 4.4 lbs./MWh of NO_x emissions based on its electrical and mechanical output or its rated capacity.
- v. Customers shall comply with the above criteria and in addition:
 - 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 Company inspection; and
 - 3. Retain the records for a 3-year period.

Customers qualifying for the EAT Exemption shall comply with all of the following requirements:

- a) The nameplate capacity of the OSG (in aggregate if more than one unit exists) shall at no time exceed
 - (1) 25 kW for residential solar and wind;
 - (2) 500 kW for farm service solar and wind;
 - (3) 1,000 kW for farm service customers operating anaerobic digesters;
 - (4) up to 2,000 kW for solar and wind non-residential customers; or
 - (5) up to 1,000 kW for qualifying CHP generation.
- b) The OSG is placed in service between July 1, 2002 and May 31, 2015.
- c) The OSG is connected to the customer's electric system using an automated or manual transfer switch or the electrical equivalent of such a switch approved by the Company consistent with Electric System Bulletin 750 as it may be amended from time to time.
- d) The customer executes and the Company accepts a Form G as required under the special provisions of the applicable Service Classification for all generators on the premises. The customer shall state its intended use of the OSG facilities on the Form G in the blank spaces provided for special conditions.

In the event the customer fails to comply with provisions (a) through (d) above, the Company shall have the following rights:

- (a) to bill the customer standby service rates for those amounts of total Electric Service which the Company reasonably estimated were received by the customer during times when Electric Service from the Company was available to the customer; and
- (b) to require the customer to install OSG meter(s) on all of its generators on the premises within a mutually acceptable schedule and upon receipt of written notice from the Company.

Customers qualifying for the EAT Exemption shall be allowed to make a one-time irrevocable election to refuse the EAT Exemption and, instead, take service at full standby service rates, upon providing thirty (30) days written notice to the Company before commencing operation of the OSG; provided, however, that if operation of the OSG commenced between July 1, 2002 and December 31, 2011, the Customer must make its one-time election by March 1, 2012.

The EAT Exemptions set forth above will expire on May 31, 2015.

G. Net Metering for Solar, Farm Waste, Wind, Micro-Combined Heat and Power, and Fuel Cell Electric Generating Systems - Standby service rates shall not apply to Customer-Generators who have the above electric generating equipment provided they have executed a Form K agreement with the Company and have complied with all the requirements of Rule No. 36 and Rule No. 37 of this tariff.

Issued by Kenneth D. Daly, President, Syracuse, NY