

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
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#### GENERAL INFORMATION

##### 31. Micro-Hydroelectric Service Option (Cont'd)

###### A. Residential (Cont'd)

Upon the Corporation's determination that the customer has taken service under this Section while in violation of the conditions of service set forth herein, the customer shall forfeit any positive balance accrued during the annual period in which the violation occurred.

Pursuant to the Standard Interconnection Requirements set forth within Addendum-SIR of PSC No.119, customers are responsible for providing all meter boxes and sockets. In the event that NYSEG determines that it is necessary to install a dedicated transformer or transformers, or other equipment to protect the safety and adequacy of electric service provided to other customers, the customer-generator shall pay for the cost of installing the transformer or transformers, or other equipment up to a maximum amount of \$350.00. The Corporation will not charge any additional micro-hydroelectric electric specific interconnection costs incurred by NYSEG other than \$350.00 for dedicated transformers, or other equipment, if necessary. Customers are responsible for any costs related to the installation of their micro-hydroelectric generating equipment. Notwithstanding the provisions herein, residential micro-hydroelectric electric customers are responsible for meeting all otherwise applicable provisions and requirements of PSC Nos. 119 and 120.

###### B. Non-Residential

Applicable to any Non-Residential Customer who owns or operates micro-hydroelectric generating equipment located and used at his or her premises. Micro-hydroelectric generating equipment is defined as a hydroelectric system with a rated capacity of not more than two thousand (2000) kilowatts; that is manufactured, installed and operated in accordance with applicable government and industry standards. Such system must be connected to the customer's electric system and operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in conjunction with an electric corporation's transmission and distribution facilities, and that is operated in compliance with any standards and requirements established under this section.

Application of the Micro-hydroelectric Electric Service Option will be available to eligible customers, on a first come, first served basis, until the total rated generating capacity for solar, farm waste, MCHP, fuel cell electric generating equipment and micro-hydroelectric electric generating equipment owned, leased or operated by customer-generators in NYSEG's service area is equivalent to 28,260 kW (one percent of NYSEG's electric demand for the year 2005) and is available only in non-network areas of the Corporation's territory.

Customers electing service under this provision must execute a New York State Standardized Contract for Interconnection of New Distributed Generation Units with Capacity of 2 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 2 MW or Less Connected in Parallel with Utility Distribution Systems, as set forth within Addendum-SIR of Schedule PSC 119.

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