PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: DECEMBER 5, 2011

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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.

37.10.2 To qualify as a satellite account to the host account, the following requirements must be met:

- 1) The satellite account must be designated as premises owned or leased by the host account Customer-Generator and in the same name in the Company's billing system as the host account Customer-Generator.
- 2) Both the satellite account and the host account Customer-Generator must be within the same Company's service territory to which the Customer-Generator's net energy meters are interconnected.
- 3) The satellite account must be in the same load zone as the host account Customer-Generator as of the date of the initial application of the host account Customer-Generator for remote net metering and must remain in the same load zone as the host account Customer-Generator to continue to be eligible to receive excess net metering credits.
- 4) The satellite account must not be a net metered Customer-Generator.

37.10.3 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 host account Customer-Generator to the Company during the same billing period, the Company shall charge the host account Customer-Generator the rates provided in the retail rate schedule applicable to the host account Customer-Generator for only the difference between these two amounts.

37.10.4 In the event that the amount of electric energy provided by the host account Customer-Generator to the Company in any billing period exceeds the amount of electric energy supplied by the Company to the host account Customer-Generator during the same billing period, the host account Customer-Generator shall be regarded as having received no electric energy (in kWh) during that billing period.