

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
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SERVICE CLASSIFICATION NO. 11 (Continued)

SPECIAL PROVISIONS (CONT'D.)

(d) Previous SC 11 Tariff (Cont'd.)

Interconnection Facilities

The customer and the Company shall agree to the operating mode, interconnection and equipment specifications as contained in the following documents on file with Public Service Commission; the Commission may review the specifications and arbitrate if a dispute should occur: "Requirements for the Installation of Electric Services and Meters," "Specifications for Customer Electric Service 2.4 kV to 34.5 kV," (SP-1099), and NYSEG's Bulletin 86-01.

Interconnection Charge

At the time the Company and an on-site generation facility owner enter into a Purchase Power Agreement, the owner of the on-site non-utility sources of generation with capacity greater than 15 KW may choose to 1) pay the Company for actual charges for maintenance on interconnection equipment paid for by the facility owner and owned by the Company, at the time the Company incurs those charges, or 2) pay an annual carrying charge of 9% (subject to review in the Company's rate case proceedings) on the total investment in such equipment. Such carrying charges shall be payable upon the initiation of service and annually thereafter upon the anniversary of service pursuant to this Service Classification.

Parallel Service Option

The customer has the option of 1) segregating the load supplied by cogeneration or small power production facility from the load supplied by the Company's Supplemental Service, so that the nonutility source of generation, for which the customer would need Backup or Maintenance Service by the Company could not be operated in parallel with the Supplemental Service supplied by the Company or 2) providing service from the cogeneration and small power production facility in parallel with the Supplemental Service provided by the Company. If option No. 2 is chosen, the Backup or Maintenance for the cogeneration or small power production supply shall be metered separately from the Supplemental Service provided by the Company, and any additional meter and switching costs shall be paid by the customer.

Load Factor Ceiling

If energy billed hereunder as On-Peak Back-up and Maintenance Service during the most recent twelve (12) billing periods exceeds 10% of On-Peak hours (384) times the Contract Demand, or if energy billed hereunder as Off-Peak Back-up Service during the most recent twelve (12) billing periods exceeds 10% of Off-Peak (492) hours times the Contract Demand, thereafter billing shall be for Supplemental Service only until the load factor is less than 10 percent in both the On-Peak and Off-Peak periods for twelve (12) consecutive months.

(e) Recharge New York ("RNY") Power Program

Customers who qualify for the Recharge NY Power Program pursuant to Section 11 of the General Information Section of this Schedule, will have such power billed in accordance with the provision therein. The customer's power requirements in excess of the RNY Power allocation will be billed in accordance with the ESCO Supply Service rate or the NYSEG Supply Service rate of this Service Classification applicable to the customer's otherwise applicable service classification.

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