

PSC No: 19 - Electricity  
Rochester Gas and Electric Corporation  
Initial Effective Date: February 1, 2013  
Issued in compliance with Order in Case 12-E-0043, dated February 1, 2013

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## GENERAL INFORMATION

### 16. Farm Waste Electric Generating System Option (Cont'd)

For customer billed on TOU rates, if the electricity (kWh) supplied by the customer to the Company is not metered for each TOU period and until such time as metering is installed to measure electricity supplied to the Company in each TOU period, an allocation of the electricity supplied to the Company will be done according to the allocation factors set forth in a Special Provision provided in each service classification in this Schedule.

#### Hourly Pricing

- a) For customers billed on Hourly Pricing, for each hour, the customer's usage and its generation are netted within the hour.
- b) Kilowatt-hour charges are calculated using the consumption in each hour in which the customer's usage exceeds the customer's generation multiplied by the applicable price.
- c) The Company shall maintain two monetary values for the excess credit.
  - i. For each hour the electricity generated and supplied by the customer exceeds the customer's usage, the kWh difference is multiplied by the avoided cost for energy for that hour. The result is the excess credit priced at avoided cost for that hour.
  - ii. For each hour in which the electricity generated and supplied by the customer exceeds the customer's usage, the kWh difference is summed together and then multiplied by the sum of the remaining per kWh charges (e.g., Energy Charge, Transition Charge, Merchant Function Charge, Supply Adjustment Charge, Ancillary & NTAC, RPS, EEPS, SBC, TSAS, and RDM).
  - iii. The Company shall use excess credits from the prior month's bill period and the current bill period to develop a ratio between the excess credit priced at avoided cost and the excess credit for remaining per kWh charges. The excess credits are applied to the current bill. Any remaining credits are multiplied by the ratio to determine the excess credit at avoided cost and the excess credit for remaining per kWh charges to carry forward to the next month.

#### Cash-out

If, (a) on an annual basis, during the term of the SIR Contract or (b) on the date the SIR Contract is terminated pursuant to the terms and conditions of said Contract, there exists a positive (kWh) balance for an accumulation of excess generation provided to the Company, then a cash payment will be issued to the customer. For a Non-hourly Pricing customer, the payment shall be for an amount equal to the product of the excess balance times the average avoided cost for energy over the most recent 12-month period. For an Hourly Pricing customer, the payment shall be for the remaining portion of the excess credit priced at avoided cost, after credits are applied to the current bill period charges. Any remaining non-avoided cost monetary credits are reset to zero.

A customer will be provided a one-time option to select an individual anniversary date for the annual cash-out of excess net metering credits. For Non-hourly Pricing customer's the initial cash-out payment shall be equal to the product of excess balance multiplied by the average avoided cost for the energy over the number of months the customer has taken service under this provision. For an Hourly Pricing customer, the initial cash-out payment shall be for the remaining portion of the avoided cost excess credit, after the credits are applied to the current bill period. Any remaining non-avoided cost monetary credits are reset to zero. Upon the Company's determination that the customer has taken service under this Section 16 in violation of the conditions set forth in this Schedule, the customer shall forfeit any positive balance accrued during the annual period in which the violation occurred.

#### Costs

In the event that the Company determines that it is necessary to install a dedicated transformer(s) or other equipment to protect the safety and adequacy of electric service provided to other customers, the customer shall pay the Company's actual costs of purchasing and installing such transformer(s) or other equipment located and used at the customer's "farm operation," in an amount not to exceed five thousand dollars (\$5,000) per "farm operation."

In the event that the total rated generating capacity of electric generating equipment that provides electricity to the Company through the same local feeder line exceeds twenty percent (20%) of the rated capacity of the local feeder line, the customer owning or operating such equipment may be required to comply with additional measures to ensure the safety of the local feeder line.

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