

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: JULY 1, 2009

LEAF: 396
REVISION: 1
SUPERSEDING REVISION: 0

SERVICE CLASSIFICATION NO. 3A (Continued)

SPECIAL PROVISIONS (Continued)

- E. **On-Site Generation Special Provision** - Customers are obligated to certify, subject to the Company's approval, on-site generation (OSG) installations on the Company's Form G, Application for Electric Standby Service, and will be subject to the provisions of Service Classification No. 7 unless the customer has electrically isolated a portion of their load as defined in Rule 1.48 or has installed the OSG to be used exclusively as an Emergency Power System as defined in Rule 1.50.
- F. Retail Access: Customers served in this Rate Classification are eligible to participate in the Retail Access Program in accordance with Rule 39, Retail Access Program.
- G. For customers who operate a generator in excess of 25 MVA or greater and install automatic voltage control (AVC) at their facilities, reactive demand charges shall be waived, with the parameters defined by the Company during the period in which such AVC is operating and maintained in good working order. The Company will not waive start-up reactive demand charges. The initial parameters will be determined by the Company and may be changed subject to system conditions and location of the generating unit. The waiver is subject to the Company's rights to review and approve the customer's AVC system and review its operation and performance for compliance with the system requirements.
- H. **Net Energy Billing for Certain Customers Operating Solar or Farm Waste Electric Generating Equipment** - Customers who own or operate Solar Electric Generating Equipment located and used at its premises or Farm Waste Electric Generating Equipment located and used at his or her "Farm Operation", as defined in Subdivision 11 of Section 301 of the Agriculture and Markets Law, may deliver electricity to the Company generated by the solar or farm waste electric generating system and the Company shall offset such electricity received from the customer against electricity supplied by the Company to the customer at other times pursuant to Rule No. 36 of this Tariff.

Qualifying demand customers will continue to pay applicable actual demand charges consumed in that billing period. However, the Company will not adjust this demand charge to reflect demand ratchets or monthly demand minimums that might be applied to a standard tariff.

- I. **Net Energy Billing for Certain Customers Operating Solar or Farm Service Electric Generating Equipment** - Residential, farm service, and non-residential customers, who own or operate Wind Electric Generating Equipment may deliver electricity to the Company generated by the wind electric generating system and the Company shall offset such electricity received from the customer against electricity supplied by the Company to the customer at other times pursuant to Rule No. 37 of this Tariff.

Qualifying demand customers will continue to pay applicable actual demand charges consumed in that billing period. However, the Company will not adjust this demand charge to reflect demand ratchets or monthly demand minimums that might be applied to a standard tariff.