PSC NO: 220 ELECTRICITY NIAGARA MOHAWK POWER CORPORATION INITIAL EFFECTIVE DATE: APRIL 27, 2009

LEAF: 198 REVISION: 0 SUPERSEDING REVISION:

GENERAL INFORMATION

36. Net Metering for Solar and Farm Waste Electric Generating Systems (continued)

36.4 Interconnection costs, costs to install a dedicated transformer or transformers, or other equipment deemed necessary to protect the safety and adequacy of electric service to other customers are provided in Rule No. 53, Standard Interconnection Requirements of this tariff.

36.5 The Company will determine if the Customer-Generator requires a single meter that enables the Company to measure net kWh provided to the Company by the Solar or Farm Waste Electric Generating System or if the Customer-Generator requires alternate net metering arrangements.

36.5.1 When the Company requires a second meter to be installed for billing purposes, the Company will be responsible for the cost of the second meter.

36.5.2 When the customer requests installation of a second meter that is not required by the utility for billing purposes, customer will be responsible for the cost of the second meter and comply with the provisions of Rule No. 25.1.2 of this Tariff.

36.6 The Company will employ the following "net energy billing" procedure to establish bills for electric service rendered to the customer by Niagara Mohawk during each monthly or bimonthly billing period. The meter(s) will be read on a monthly or bimonthly schedule in conjunction with the Company's reading of the meter installed to measure deliveries of electric energy to the customer.

36.6.1 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 customer to Niagara Mohawk, the Company shall charge the customer the rates provided in the retail rate schedule applicable to the customer for only the difference between these two amounts.

36.6.2 In the event that the amount of electric energy provided by customer to Niagara Mohawk in any billing period exceeds the amount of electric energy supplied by the Company to the customer during that billing period, customer shall be regarded as having received no electric energy (in kWh) during that billing period.

The Customer-Generator shall receive a credit to its energy consumption on its next bill for service equal to the amount by which its deliveries of electric energy exceed its receipts of electric energy at the same rate per kilowatt hour applicable to service provided to other customers in the same service class who do not generate electricity Any remaining balance will be carried over to the next billing month and used to offset that month's energy consumption.

36.6.3 For Demand Metered Customer Generators

36.6.3.1 Excess on-site generation shall be converted to its equivalent value at the applicable tariff per kWh rate and applied as a direct credit to the customer's current utility bill for outstanding energy, customer, demand and other charges.

36.6.3.2 In the event that the monthly credits exceed all components of a customer's current bill for services rendered, the remaining credits will be converted back to their kWh values and carried to the proceeding billing month.