

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
Initial Effective Date: February 27, 2009

Leaf No. 117  
Revision: 3  
Superseding Revision: 2

#### GENERAL INFORMATION

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

- b) If the electricity (kWh) supplied by the customer to the Corporation during the billing period exceeds the electricity (kWh) supplied by the Corporation to the customer, a kWh credit will be carried forward for the next billing period. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak or Day/Night, the kWh credit will be carried forward as a credit to the appropriate time period.
- c) For a demand-billed farm waste customer, prior to carrying forward any kWh credit, the kWhs will be converted to a dollar value using the applicable tariff per kWh rate and applied as a credit to the current utility bill Demand Charges. If the dollar value of the kWh exceeds the current Demand Charges, any remaining dollars will be converted back to kWhs and carried forward for the next billing period as a kWh credit.

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

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 Corporation, then a cash payment will be issued to the 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. Upon the Corporation's determination that the customer has taken service under this Section 22 while in violation of the conditions of service set forth in General Information Section 22 of this Schedule, the customer shall forfeit any positive balance accrued during the annual period in which the violation occurred.

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

Issued in compliance with order in Case No. 08-E-1310 dated 02/13/09.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York