

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: December 1, 2003

Leaf No. 308
Revision: 0
Superseding Revision:

SERVICE CLASSIFICATION NO. 13 (Continued)

SERVICE AGREEMENT: (Cont'd)

(D) A statement that the customer has met all of the requirements of this tariff including the following requirements: (Cont'd)

(2) If Self Generation or Co-Generation is the Customer's Competitive Viable Alternative:

(a) Customer must submit a strategic operating plan.

a.1. The plan shall provide an appropriate justification to the Corporation of the favorable economics and the viability of the self-generation or co-generation alternative. This plan shall include, but not be limited to, the following:

a.1.a. If on-site generation exists:

- i. A description of existing thermal and electric generation equipment, including all thermal and electric loads;
- ii. A description of the electric generating equipment, including size, annual and hourly fuel consumption and costs. Line pressure of fuel, if natural gas, to site shall also be included;
- iii. A listing of annual non-fuel operating expenses for the energy facility, including, but not limited to, operating labor, maintenance, consumables, and O&M contract services;
- iv. A detail of other costs for energy facility, including, but not limited to, labor overheads, taxes, insurance, capital improvements, permit fees, and financing on existing equipment;
- v. A description of areas of concern or difficulty which are adversely impacting current operations of the energy facility.

a.1.b. If on-site generation is being favorably considered:

- i. A description of the proposed self generation/co-generation facility, including fuel consumption;
- ii. A breakdown of the estimated cost of the proposed facility;
- iii. A description of the intended operation of the proposed facility;
- iv. A detail of non-fuel operating costs, including, but not limited to, operating labor, general maintenance, overhaul maintenance, consumables and O&M contract services;
- v. A projection of annual electricity requirements and costs for supplemental, back-up, and maintenance service;
- vi. A description of performance effects on ambient temperature, and annual capacity/efficient degradation from recoverable and non-recoverable losses;
- vii. A description of the environmental impacts of the proposed facility;
- viii. A Projected Cash Flow Analysis, detailing the financial data for the project life.

a.1.c. The plan shall also include an energy audit whether the customer is considering, or has already installed, self-or co-generation facilities.

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