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PSC No: 19 - Electricity
 Rochester Gas and Electric Corporation
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 Revision: 7
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Issued in compliance with Notice in Case Nos. 15-E-0751 and 15-E-0082, dated March 9, 2017.

GENERAL INFORMATION

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

6. Billing (Cont'd)

1. Facility Located and Used at Farm Operations (cont'd)
- b. Hourly Pricing (cont'd)

Residential customers who own or operate a farm operation (as defined by Agriculture and Markets Law §301(11)), and locate farm waste electric generating equipment on property they own or lease, is eligible for remote net metering as set forth in Rule 16.9.A.

2. Non-Residential – Facility Located and Used at their Premises

- a. Non-Hourly Pricing

- i. If the electricity (kWh) supplied by the Company exceeds the electricity supplied by the customer to the Company during the billing period the customer shall be billed for the net kWh supplied by the Company to the customer at the standard service class rates. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, netting will occur in each time period.
- ii. If the electricity (kWh) supplied by the customer to the Company during the billing period exceeds the electricity (kWh) supplied by the Company to the customer, the Company will provide a credit on the next bill for net electricity supplied at the Company's avoided cost Service Classification 5 energy rate. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, the kWh credit will be a credit for the appropriate time period.

- b. Hourly Pricing

- i. For customers billed on Hourly Pricing, for each hour, the customer's usage and its generation are netted within the hour.
- ii. 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 charge.
- iii. For each hour the electricity generated and supplied by the customer exceeds the customer's usage, the kWh difference is multiplied by the Company's Service Classification No. 5 Buy-Back Service energy only rate.
- iv. The excess monetary credit from the current and/or prior bill period(s) is applied to the current utility bill. If the excess monetary credit exceeds the current utility bill, the monetary credit is carried forward to the next billing period.

7. Annual Cash-out:

- a. Customers with "Existing" farm waste generating installations:

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.

- b. Customers with "Phase One NEM" farm waste generating installations:

The value of any credit remaining on a customer's account for excess electricity produced by the customer-generator shall continue to carry over to the next monthly billing period. At the end of the term as set forth in Section 16.3, any excess credits shall be forfeited.

8. 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" or premises, in an amount not to exceed \$5,000 per "farm operation" or premises.

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 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.

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Rochester, New York