Effective Date: 04/27/2017

PSC No: 120 - Electricity New York State Electric and Gas Corporation Initial Effective Date: April 1, 2017 Issued in compliance with Order in Case Nos. 15-E-0751 and 15-E-0082, dated March 9, 2017.

Leaf No. 116 Revision: 18 Superseding Revision: 17

GENERAL INFORMATION

22. Farm Waste Electric Generating System Option

A. Applicable To

- 1. Any customer, residential or non-residential, who owns or operates farm waste electric generating equipment ("Facility"), that generates electric energy from biogas produced by the anaerobic digestion of agricultural wastes with a rated capacity of not more than 2,000 kW, located and used at their "farm operation" as defined in Subdivision 11 of Section 301 of the Agriculture and Markets Law. Such definition states that a "farm operation" means the land and on-farm buildings, equipment, manure processing and handling facilities, and practices which contribute to the production, preparation and marketing of crops, livestock and livestock products as a commercial enterprise, including a "commercial horse boarding operation" as defined in subdivision thirteen of this Section 301 of the Agriculture and Markets Law. A customer may include energy storage equipment when submitting an application for net metering pursuant to this Section.
- 2. Any non-residential customer that owns or operates a Facility that is located and used at their premises. A customer may include energy storage equipment when submitting an application for net metering pursuant to this Section.

B. Operations

The Facility must be manufactured, installed and operated in accordance with applicable government and industry standards. Such Facility must be connected to the Company's electric system and operated in parallel with the Company's transmission and distribution facilities. The Facility must be fueled, at a minimum of 90% on an annual basis, by biogas produced from the anaerobic digestion of agricultural waste such as livestock manure materials, crop residues and food processing waste. The Facility must be fueled by biogas generated by anaerobic digestion with at least 50% by weight of its feedstock being livestock manure materials on an annual basis. The customer, at its expense, shall promptly provide to the Company all relevant, accurate and complete information, documents, and data, as may be reasonably requested by the Company, to enable the Company to determine whether the customer is in compliance with these requirements.

C. Term

- a. "Existing": The Company shall calculate credits in accordance with Section 22.F. for the life of the farm waste electric generating system for a customer that on or prior to March 9, 2017 has:
 - i. completed Step 4 of the SIR Addendum for farm waste electric generating equipment less than 50 kW; or
 - ii. installed farm waste electric generating equipment on or prior to March 9, 2017.
- b. "Phase One NEM": The Company shall calculate credits in accordance with Section 22.F. for a period of up to 20 years from the project's in-service date for a customer that installs generating equipment and does not meet the requirement in 1.) above (i.e., interconnected after March 9, 2017), and has: made payment for 25% of its interconnection costs or has executed a Standard Interconnection Contract if no such payment is required by July 17, 2017.

D. Interconnection

Customers electing service under this provision must operate in compliance with standards and requirements set forth in the Distributed Generation Interconnection Requirements found in P.S.C. No. 119, Section 9 and Addendum-SIR to P.S.C. No. 119. In addition, customers must execute the New York State Standardized Contract For Interconnection of New Distributed Generation Units With Capacity of 2 MW or Less Connected in Parallel with Utility Distribution Systems ("SIR Contract"), as contained within Addendum-SIR of P.S.C. No. 119.

E. Metering

For a net metered customer, the Company shall install metering appropriate for the customer's service classification that enables the Company to measure the electricity delivered to the customer and measure the electricity supplied by the customer to the Company. Where the Company determines that a second meter should be installed, no additional costs shall be billed to the customer. When a second meter is requested by the customer that is not required by the Company, the customer shall be responsible for the cost of the meter, the installation and any additional costs.

F. Billing

For each billing period during the term of the SIR Contract, the Company shall net the electricity (kWh) delivered to the customer with the electricity (kWh) supplied by the customer to the Company.

- 1. Facility Located and Used for Farm Operations
 - a. <u>Non-Hourly Pricing</u>
 - 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 or Day/Night, netting shall occur in each time period.

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