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. 117.42.1.1 Revision: 3 Superseding Revision: 2

GENERAL INFORMATION

31. Micro-Hydroelectric Service Option (Cont'd)

B. Non-Residential (Cont'd)

6. Special Provision (Cont'd)

a. Remote Net Metering (Cont'd)

IV. Calculation and Application of Net Metering Credits

- If more than one Host Account is designated by the customer and there is excess generation from more a. than one Host Account, the Company shall apply credits from the Host Accounts to the Satellite Accounts in the following order:
 - i. Grandfathered or Demand-billed Host Accounts participating in Farm Waste (Facility Located and Used for Farm Operations) or Farm Wind Electric Service Options;
 - ii. Grandfathered or Demand-billed Host Accounts participating in Non-Residential Solar, Non-Residential Wind, or Micro-Hydroelectric Service Options;
 - iii. Host Account participating in Fuel Cell or Farm Waste (Facility Located and Used at Premises) Service Options;
 - Any other non-demand-billed Host Accounts. iv.
- b. Application of Monetary Credits:

Host Account

In a month where the Host Account has Excess Generation, the Excess Generation shall be converted to the equivalent monetary value at the per kWh rate applicable to the Host Account's service classification. The remote net metering credit shall first be applied to any outstanding charges on the Host Account's current electric bill.

For Non-hourly Pricing customers, remote net metering credits shall be defined as the Excess Generation multiplied by the Host Account's applicable tariff per kWh rates. For Hourly Pricing customers, as defined under Billing for Hourly Pricing customers, remote net metering credits shall be defined as the excess monetary credit.

Satellite Accounts:

Any remaining monetary credit from the Host shall be allocated to each Satellite Account in accordance with the Host Account designation pursuant to Section II. The portion designated for the Satellite Accounts shall be applied to each Satellite Account bill as each subsequent Satellite Account bill is calculated. If a monetary credit remains after applying credits to all designated Satellite Accounts, the credit shall be carried forward on the Host Account and the allocation process between Host and Satellite Accounts shall repeat until the value of the excess credit is zero, or until all associated accounts are finaled.

In the case of two Satellite Accounts billed on the same day, the excess credit shall be applied to the highest usage account first. The credit applied to each Host or Satellite Account shall not exceed the current electric delivery charges, and if applicable, Company supply charges

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