PSC No: 120 - Electricity New York State Electric and Gas Corporation Initial Effective Date: July 1, 2013 Issued in compliance with Order in Case 12-E-0a486 dated June 13, 2013 Leaf No. 117.38 Revision: 4 Superseding Revision: 3

GENERAL INFORMATION

30. Fuel Cell Electric Service Option (cont'd.)

B. Non-Residential Electric Service Option

Applicable to any Non-Residential Customer who owns, leases or operates fuel cell generating equipment. Fuel cell generating equipment is defined as a solid oxide, molten carbonate, proton exchange membrane or phosphoric acid fuel cell with a combined rated capacity of not more than one-thousand five hundred (1,500) kilowatts that is manufactured, installed and operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in parallel with an electric Company's transmission and distribution facilities, and that is operated in compliance with any standards and requirements established under this section. Such system must be connected to the customer's electric system and operated in parallel with the Company's transmission and distribution facilities.

Application of the Fuel Cell Non-Residential Service Option will be available to eligible customers, on a first come, first served basis, until the total rated generating capacity for solar, farm waste, MCHP and fuel cell electric generating equipment owned, leased or operated by customer-generators in the Company's service area is equivalent to 84,780 kW (three percent of the Company's electric demand for the year 2005) and is available only in non-network areas of the Company's territory.

Customers electing service under this provision must execute a 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"). In addition, customers must operate in compliance with standards and requirements set forth in the New York State Standard Interconnection Requirements and Application Process for New Distributed Generators 2 MW or Less Connected in Parallel with Utility Distribution Systems, as set forth within Addendum-SIR of Schedule PSC 120.

For a net metered customer, the Company will 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 will be responsible for the cost of the meter, the installation and any additional costs.

Billing

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

Non-Hourly Pricing

- a) 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.
- b) 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 Service Classification No. 10 Buy-back Service energy only 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.

Hourly Pricing

- a) For customers billed on Hourly Pricing, for each hour, the customer's usage and its generation are netted within the hour.
- b) 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.
- c) 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. 10 Buy-Back Service energy only rate.
- d) 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.

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