

GENERAL INFORMATION

15. Solar Non-Residential Electric Service Option (Cont'd)

Upon the Corporation's determination that the customer has taken service under this Section 15 while in violation of the conditions of service set forth herein, the customer shall forfeit any positive balance accrued in its Credit Account during the annual period in which the violation occurred.

Pursuant to the Standard Interconnection Requirements set forth within Addendum SIR of this tariff, customers are responsible for providing all meter boxes and sockets. In the event that RG&E 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, a customer-generator with a combined rating less than 25 kW shall pay for the cost of installing such transformer(s) or other equipment, up to a maximum amount of \$350. A customer-generator with a combined rating equal to or greater than 25 kW shall pay for the cost of installing the transformer(s) or other equipment. Notwithstanding the provision herein, Non-Residential solar electric customers are responsible for meeting all otherwise applicable provisions and requirements of PSC No. 19.

16. Farm Waste Electric Generating System Option

Applicable to any customer 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 one thousand kilowatts (1000 kW), located and used at his or her "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.

The Facility must be manufactured, installed and operated in accordance with applicable government and industry standards. Such Facility must be connected to RG&E's electric system and operated in parallel with RG&E'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 RG&E all relevant, accurate and complete information, documents, and data, as may be reasonably requested by RG&E, to enable RG&E to determine whether the customer is in compliance with these requirements.

The Farm Waste Electric Generating System 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 RG&E's service area is equivalent to 16,250 kW (one percent of RG&E's electric demand for the year 2005).

Customers electing service under this Section 16 must operate in compliance with standards and requirements set forth in the Distributed Generation Interconnection Requirements set forth within Addendum SIR of this tariff. In addition, customers must execute the NYS 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 this tariff.

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

For a net metered customer, the Corporation will install metering appropriate for the customer's service classification that enables the Corporation to measure the electricity delivered to the customer and measure the electricity supplied by the customer to the Corporation. Where the Corporation 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 Corporation, the customer will be responsible for the cost of the meter, the installation, and any additional costs. For each billing period during the term of the SIR Contract, the Corporation will net the electricity (kWh) delivered to the customers with electricity (kWh) supplied by the customer to the Corporation.

- (a) If the electricity (kWh) supplied by the Corporation exceeds the electricity supplied by the customer during the billing period, the customer shall be billed for the net kWh supplied by the Corporation 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 during the billing period exceeds the electricity (kWh) supplied by the Corporation to the customer, a kWh credit will be carried forward for the next billing period. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, the kWh credit will be carried forward as a credit to the appropriate time period.
- (c) For customer billed on TOU rates, if the electricity (kWh) supplied by the customer is not metered for each TOU period and until such time as metering is installed to measure electricity supplied to the Corporation in each TOU period, an allocation of the electricity supplied to the Corporation will be done according to the allocation factors set forth in a Special Provision provided in each service classification in this Schedule.
- (d) For a demand-billed farm waste customer, prior to carrying forward any kWh credit, the kWhs will be converted to a dollar value using the applicable tariff per kWh rate and applied as a credit to the current utility bill. If the dollar value of the kWh exceeds the current utility bill, any remaining dollars will be converted back to kWhs and carried forward for the next billing period as a kWh credit.

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. 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. Upon the Corporation'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.

In the event that RG&E 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 RG&E's actual costs of purchasing and installing such transformer(s) or other equipment located and used at the customer's "farm operation," in an amount not to exceed five thousand dollars (\$5,000) per "farm operation."

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 twenty percent (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.

GENERAL INFORMATION

16. Farm Waste Electric Generating System Option

A. Remote Net Metering

Definitions

Host Account: The customer meter where farm waste generation is located and interconnected with the Company's distribution system.

Satellite Accounts: Additional meters designated by the Host Account with the same name on the account, for the application of excess net metering credits.

Excess Generation: the electricity (kWh) supplied by the customer to the Corporation during the billing period exceeds the electricity (kWh) supplied by the Corporation to the customer.

Customer Requirements and Eligibility

A customer participating in Farm Waste Electric Generating System Option may designate all or a portion of the excess credit, after application to the Host Account, to Satellite Accounts at any property owned or leased by such customer within the same load zone as determined by the Locational Based Market Price. This will be completed on a form when submitting their initial remote net metering application.

Satellite Accounts must be held by the same customer and have an identical billing name, on property owned or leased by such customer. The utility reserves the right to investigate/obtain proof that all designated accounts are held by the customer. Satellite Accounts cannot also participate in: Wind Electric Service Options; or Solar Residential Electric Service Option; or Solar Non-Residential Electric Service Option; or Farm Waste Electric Generating System Option; or Electric Hybrid Generating System Option; or Micro-combined Heat and Power Service Option; or Fuel Cell Residential Electric Service Option. Satellite Accounts can only have one Host Account.

Enrollment and Change Period

After the customer's initial application, the enrollment and change period is from January 1 through January 31. Any changes will be effective with the initial Host Account billing after March 1.

Remote Net Metering customers may submit a change request form annually during the change period to designate additional Satellite Accounts or delete existing active Satellite Accounts. The customer may also change the portion (percentage) of excess to remain at the Host Account once per year.

Calculation and Application of Net Metering Credits

In a month where the Host Account has Excess Generation, the Excess Generation will be converted to the equivalent monetary value at the per kWh rate applicable to the Host Account's service classification.

Remote net metering credits shall be defined as the Excess Generation multiplied by the Host Account's applicable tariff per kWh rates.

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

A. Remote Net Metering (Cont'd)

Calculation and Application of Net Metering Credits (Cont'd)

The remote net metering credit will first be applied to any outstanding charges on the Host Account's current electric bill. Any remaining monetary credit will be allocated between the Host Account and the Satellite Accounts. The portion designated for the Satellite Accounts will be applied to the Satellite Account bills as each subsequent Satellite Account bill is calculated. In the case of two Satellite Accounts billed on the same day, the credit will 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, RG&E supply charges. If a monetary credit remains after applying credits to all designated Satellite Accounts, the credit will be carried forward on the Host Account and the allocation process between Host and Satellite Accounts will repeat until the value of the excess credit is zero or until all associated accounts are finalized.

Annual Reconciliation and Account Closure

Annual reconciliation of remaining credits:

Any remaining monetary credits will be cashed out at avoided cost. The cash-out payment shall be equal to the product of the kWh excess multiplied by the average avoided cost for the energy for the billing period in which the excess occurred. Upon the Corporation's determination that the customer has taken service under this Section 16 while in violation of the conditions of service set forth in this Schedule, the customer shall forfeit any positive balance accrued during the annual period in which the violation occurred.

Host Account closure:

Any remaining monetary credits will be cashed out at avoided cost of the supply. The cash-out payment shall be equal to the product of the kWh excess balance multiplied by the average avoided cost for the energy for the billing period in which the excess occurred.