

GENERAL INFORMATION

18. Micro-combined Heat and Power (MCHP) Service Option

A. Applicable To

Any Residential Customer (as defined by HEFPA) who owns, leases or operates MCHP generating equipment. MCHP generating equipment is defined as an integrated, cogenerating building heating and electrical power generation system, operating on any fuel and of any applicable engine, fuel cell, or other technology, with a rated capacity of at least one kW and not more than 10 kW electric and any thermal output that at full load has a design total fuel use efficiency in the production of heat and electricity of not less than eighty percent, and annually produces at least 2,000 kWh of useful energy in the form of electricity that may work in combination with supplemental or parallel conventional heating systems, that is manufactured, installed and operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in conjunction with an electric company's transmission and distribution facilities. Such system must be connected to the customer's electric system and operated in parallel with the Company's transmission and distribution facilities. A customer may include energy storage equipment when submitting an application for net metering pursuant to this Rule.

B. Eligible Capacity

The MCHP Electric Generating System Option shall 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 shall not exceed 24.243 MW, the total rated generating capacity of interconnected projects served by the Company under PSL §66-j as of the close of business on March 9, 2017, including projects to be served by the Company under PSL §66-j for which either Step 8 (for projects greater than 50kW) or Step 4 (for projects 50kW or less) of the Standard Interconnection Requirements (SIR), as applicable, had been completed by the close of business on March 9, 2017. This MW limit shall automatically decrease as projects served under PSL §66-j are taken out of service, but shall not decrease below 16.25 MW, representing 1% of the Company's electric demand for the year 2005.

C. Term

1. The Company shall calculate credits in accordance with Section 18.F. for the life of the MCHP generating system for a customer that on or prior to March 9, 2017 has:
 - a. completed Step 4 of the SIR Addendum for MCHP generating equipment less than 50 kW; or
 - b. installed MCHP generating equipment on or prior to March 9, 2017.

A customer may opt to take service under Rule 26, Value of Distributed Energy Resources (VDER). Such election shall be a one-time election and shall be irrevocable.

2. A customer that installs MCHP generating equipment after March 9, 2017 shall refer to Rule 26, Value of Distributed Energy Resources (VDER), A. Phase One Net Energy Metering ("NEM") or B. Value Stack, as applicable.

D. Interconnection

Customers electing service under this provision must execute a New York State Standardized Contract for Interconnection of New Distributed Generation Units with Capacity of 5 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 and Energy Storage System 5 MW or Less Connected in Parallel with Utility Distribution Systems, as set forth within Addendum-SIR of P.S.C. No. 19.

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. For a net metered customer with an installation after March 9, 2017, customer shall refer to Rule 26, Value of Distributed Energy Resources (VDER) for metering requirements.

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: April 27, 2017
Issued in compliance with Order in Case Nos. 15-E-0751 and 15-E-0082, dated March 9, 2017.

Leaf No. 160.39.6.1
Revision: 0
Superseding Revision:

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18. Micro-combined Heat and Power (MCHP) Service Option (Cont'd)

F. Billing

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

1. 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 shall occur in each time period.
2. 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 shall provide a credit on the next bill for net electricity supplied at the Company's Service Classification No. 5 Buy-back Service energy only rate. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, the kWh credit shall be a credit for the appropriate time period.

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

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18. Micro-combined Heat and Power (MCHP) Service Option (Cont'd)

G. Costs

Pursuant to the Standard Interconnection Requirements set forth within Addendum-SIR of P.S.C. No. 19, customers are responsible for providing all meter boxes and sockets. In the event that the Company determines that it is necessary to install a dedicated transformer or transformers, or other equipment to protect the safety and adequacy of electric service provided to other customers, the customer-generator shall pay for the cost of installing the transformer or transformers, or other equipment up to a maximum amount of \$350.00. The Company shall not charge any additional MCHP electric specific interconnection costs incurred by the Company other than \$350.00 for dedicated transformers or other equipment, if necessary. Customers are responsible for any costs related to the installation of their solar generating equipment. Notwithstanding the provisions herein, residential MCHP electric customers are responsible for meeting all otherwise applicable provisions and requirements of P.S.C. No. 19.

19. Fuel Cell Electric Service Option

A. Residential Service Option

1. Applicable To

Any Residential Customer (as defined by HEFPA) who owns, leases or operates fuel cell generating equipment located and used at his or her residence. 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 10 kW; that is manufactured, installed and operated in accordance with applicable government and industry standards. Such system must be connected to the customer's electric system and operated in conjunction with the Company's transmission and distribution facilities, and that is operated in compliance with standards and requirements established under this section. A customer may include energy storage equipment when submitting an application for net metering pursuant to this Rule.

2. Eligible Capacity

The Fuel Cell Electric Generating System Option shall 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 shall not exceed 24.243 MW, the total rated generating capacity of interconnected projects served by the Company under PSL §66-j as of the close of business on March 9, 2017, including projects to be served by the Company under PSL §66-j for which either Step 8 (for projects greater than 50kW) or Step 4 (for projects 50kW or less) of the Standard Interconnection Requirements (SIR), as applicable, had been completed by the close of business on March 9, 2017. This MW limit shall automatically decrease as projects served under PSL §66-j are taken out of service, but shall not decrease below 16.25 MW, representing 1% of the Company's electric demand for the year 2005.

3. Term

- a. The Company shall calculate credits in accordance with Section 19.A.6. for the life of the fuel cell generating system for a customer that on or prior to March 9, 2017 has:
 - i. completed Step 4 of the SIR Addendum for fuel cell generating equipment less than 50 kW; or
 - ii. installed fuel cell generating equipment on or prior to March 9, 2017.

A customer may opt to take service under Rule 26, Value of Distributed Energy Resources (VDER). Such election shall be a one-time election and shall be irrevocable.

- b. A customer that installs fuel cell generating equipment after March 9, 2017 shall refer to Rule 26, Value of Distributed Energy Resources (VDER), A. Phase One Net Energy Metering ("NEM"), or B. Value Stack, as applicable.

4. Interconnection

Customers electing service under this provision must execute a New York State Standardized Contract for Interconnection of New Distributed Generation Units with Capacity of 5 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 and Energy Storage System 5 MW or Less Connected in Parallel with Utility Distribution Systems, as set forth within Addendum-SIR of P.S.C. No. 19.