

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE

APPLICABLE TO USE OF SERVICE FOR:

1. Delivery of Standby Service for any customer where all or a portion of a customer's electricity is supplied from On-Site Generating facilities ("OSG", defined as a generation facility that does not provide electricity supply to the customer by means of the Company's delivery facilities) without using the Company's delivery system (defined as the distribution and/or transmission system, regardless of voltage or functional classification). An OSG, whether owned by the customer or a third party, can produce electricity primarily to serve the customer's native load, to sell in the wholesale market or to carry out a combination thereof. Such OSG may be connected with the Company's delivery system for parallel operation, or operate under the control of a single pull, double-throw switch (or similar device). For customers with multiple electrical services, this tariff applies to each of the customer's electrical services that are not electrically isolated from the OSG. All separately metered electricity supply and/or delivery service not otherwise served by the OSG (e.g., separate delivery service to the facility's guardhouse or other facilities electrically isolated from the OSG) shall be provided under the Otherwise Applicable Service Classification ("OASC", defined as the service classification in this tariff that the Customer would otherwise be served at, based on the Customer's connected load. For purposes of this Service Classification, Service Classification Nos. 1, 2, 3, 7, and 8 qualify as OASCs). This service classification shall apply to a customer that installs stand-alone storage, or storage paired with non-renewable OSG, with a maximum inverter capability greater than 1 MW.
2. Before a customer is allowed to install and operate an OSG, the customer must submit design and operating information for the proposed OSG in accordance with the appropriate application and review process described in RG&E's "Bulletin 86-01 Requirements for Independent Power Producers of Electricity" ("Bulletin 86-01").

A customer operating OSG with a total nameplate rating equal to, or expected to be equal to, 15% or less of its maximum potential demand served by all sources, as that maximum potential demand is reasonably determined by the Company, shall take service under the OASC unless the customer opts to take service under this classification. RG&E may disqualify a customer from Standby Service if the Company can demonstrate that the customer (a) has installed OSG with a total nameplate rating greater than 15% of its load, but (b) has not operated or is not operating that OSG in a material manner in order to serve the customer's load.

A customer who declines service under this tariff is required to electrically isolate its facility from the Company's delivery system, and the Company shall not be required to maintain electric delivery service to that customer's facility. A facility shall be deemed "electrically isolated" as set forth below.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

Electrically Isolated Loads:

If a customer elects to electrically isolate and serve its load with OSG without connection to the Company's system, the isolated portion of that customer's load will not be subject to Standby Service -- provided that the customer executes a letter agreement with the Company that provides for the following:

- a) the Company will be entitled to inspect the electrical configuration of the OSG facilities upon a customer's request for this exemption;
- b) if, at any time, the Company has a reasonable concern that the customer's OSG facilities have not remained isolated from the Company's system, the Company is authorized to inspect the electrical configuration of such facilities, and the customer must cooperate with that inspection; and
- c) if the Company discovers, through billing data and/or the inspection of the customer's OSG facilities, that any of the electrically isolated OSG facilities have been reconnected to RG&E's system, the Company will backbill the customer. A Contract Demand will be established by the Company and the backbill will consist of RG&E's Standby Service rates, applied back to the time of OSG interconnection to RG&E's system, and include the surcharge as set forth below in the Unauthorized OSG Interconnection by Customer section, with Late Payment Charges as applicable, set forth in the Terms of Payment section of this Service Classification.

A facility shall be considered "electrically isolated" if: (a) the electrical points of contact where interconnection with the Company could occur are separated and at least 100 feet from any other interconnected electrical service utilized by such customer, or (b) the isolated service is not within the same building or structure as any other interconnected electrical service of the customer and not housed within a common enclosure with other interconnected breakers and/or fuses of the customer. At its discretion, the Company may consider a separation of less than 100 feet between a customer's facilities and the Company's system to be electrically isolated if there are site-specific configuration circumstances warranting such a determination.

Compliance:

A customer taking Standby Service shall comply with all federal, state and local laws, regulations, and requirements, including the requirements listed below in the Interconnection Requirements paragraphs 1 through 7.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

STANDBY SERVICE IS NOT APPLICABLE TO:

1a. Net Metered Solar Generating System Option

Standby service will not apply to a customer operating solar generating equipment and taking service under General Information Section 13.

1b. Farm Waste Electric Generating System Option

Standby service will not apply to a customer taking service under the Farm Waste Electric Generating System Option, provided such customer meets criteria for service under General Information Section 13 of this Schedule.

1c. Net Metered Wind Generating System Option

Standby service will not apply to a customer operating wind generating equipment and taking service under General Information Section 13.

1d. Net Metered Hybrid Generating System Option

Standby service will not apply to a customer operating hybrid generating equipment and taking service under General Information Section 13.

2. Emergency Generators

Standby Service rates shall not apply to customers whose only generating units are emergency generators. For the purpose of this Service Classification, a generating unit must meet each of the following two criteria to be considered an emergency generator:

- a) The emergency generator is used exclusively for purposes of supplying electrical power to the Customer when electrical power is not available from the Company.
- b) No load is served by the emergency generator while electric service is available from the Company to the premises, except for regularly scheduled tests when the generator is required to operate under load or participation in the New York Independent System Operator's ("NYISO") Special Case Resource Program or the Emergency Demand Response Program.

Excluding residential customers, the customer must submit a one-line diagram and specification sheet on the switch for the OSG for the Company's review and approval. In addition, the customer must enter into a letter agreement with the Company stating that the emergency generator shall not operate in parallel with the Company's system.

The customer shall maintain an operating log for each emergency generator indicating the date, time, hours, and purpose of each operation of each such facility. This log shall be made available to the Company upon request. Failure to do so shall permit the Company to (a) bill the customer under this Service Classification for the amount of Standby Service which the Company can reasonably estimate was delivered to and/or available to the customer during times when the Company did not charge the customer for such service due to this emergency generator exemption; and (b) establish a Contract Demand for one year, and thereafter as applicable.

3. New York Power Authority ("NYPA") Allocations

Standby Service rates shall not apply to that portion of a customer's delivery service associated with the delivery of electricity supply pursuant to applicable NYPA programs.

4. Stand-Alone Energy Storage Systems

A customer with a stand-alone energy storage system enrolled with NYISO to charge for wholesale purposes will be billed pursuant to the Wholesale Distribution Service ("WDS"), at such time that the WDS tariff becomes effective, and shall not be subject to Standby Service rates.

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

**SERVICE CLASSIFICATION NO. 14
STANDBY SERVICE (Cont'd)**

OPTIONAL STANDBY SERVICE RATE IS APPLICABLE TO:

1. Existing Customers

An Existing Customer is defined as a customer operating OSG (including renewable, Combined Heat and Power ("CHP"), and wholesale generators (defined as companies whose primary business is the production of electricity for sale into the wholesale electricity market)) or who:

- a) had commenced construction of an OSG facility;
- b) had been named by the New York State Energy Research and Development Authority ("NYSERDA") as an OSG project grant recipient as listed in the Commission Order Establishing Electric Standby Rates, issued and effective July 30, 2003, Attachment A, paragraph 4;
- c) had been named by NYSERDA as an OSG feasibility study grant recipient, as listed in the Commission Order Establishing Electric Standby Rates, issued and effective July 30, 2003, Attachment A, paragraph 4; or
- d) had received a binding, written financial commitment from a lending institution for the construction and installation of an OSG.

To remain qualified as an Existing Customer, the customer must commence operation of its OSG by May 31, 2021.

2. A Designated Technology Customer is defined as:

- a) A customer operating OSG that exclusively uses one or more of the following technologies and/or fuels for producing electricity: solar thermal; photovoltaics ("PV"); on land and offshore wind; hydroelectric; geothermal electric; geothermal ground source heat; tidal energy; wave energy; ocean thermal, or
- b) Uses small, efficient types of combined heat and power ("CHP") generation that do not exceed 15 MW of capacity and is operational prior to May 31, 2021, and conforms with the following criteria:
 - i. Sized to serve no more than 100% of the Customer's maximum potential demand.
 - ii. Annual overall efficiency should not be less than 60% based on the higher heating value (HHV) of the fuel input;
 - iii. The usable thermal energy component should absorb minimum of 20% of the CHP facility's total usable annual energy output;
 - iv. The size limits shall be determined by aggregating the nameplate ratings of the generation units, installed at its location, excluding emergency generation units used only during a utility distribution system failure or in response to the NYISO Emergency Demand Response Program;
 - v. An eligible CHP facility shall demonstrate to the utility that its generation installation meets an environmental standard of no more than 4.4 lbs./MWh of NO_x emissions, based on its electrical and mechanical output or its rated capacity, or as updated by the Department of Environmental Conservation (DEC);
 - vi. Customers shall comply with the above criteria and:
 1. Monitor and record efficiency data,
 2. Have records available for utility inspection,
 3. Retain the records for a 3-year period.
 4. An additional meter will be required for CHP generating facilities greater than 1 MW. The customer shall be required to install, at their expense, revenue grade, interval meters to measure generation output and additional telemetry equipment capable of transmitting operational information to the Company; or
- c) A customer operating electric energy storage with a maximum inverter capability of up to and including 1 MW; or
- d) A customer operating fuel cell units which utilize biofuels or hydrogen, provided that the manufacture or production of such fuels does not include the combustion or electrolysis of fossil fuels, or the use of fossil fuels or non-renewable grid power in the conversion process.
 - i. Biomass, Biogas and Fuel cells which utilize fossil fuel resources installed prior to June 1, 2023 shall remain exempt in accordance with the customer's election. Biomass, Biogas and Fuel cells which utilize fossil fuel resources installed on or after June 1, 2023 are not eligible for the Designated Technologies Exemption.

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: January 19, 2024
Issued in Compliance with Order in Case No. 22-E-0236, dated November 20, 2023.

Leaf No. 240.1
Revision: 0
Superseding Revision:

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

OPTIONAL STANDBY SERVICE RATE IS APPLICABLE TO (Cont'd):

2. A Designated Technology Customer is defined as (Cont'd):

- e) A customer operating electric energy storage in conjunction with electric vehicle charging station(s) with inverter capability greater than 1 MW and less than or equal to the sum of nameplate electric vehicle charging capability.

ISSUED BY: Jeremy J. Euto, Vice President – Regulatory, Rochester, New York

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: January 1, 2024
Issued in compliance with order in Case No. 15-E-0751, issued and effective October 13, 2023.

Leaf No. 241
Revision: 11
Superseding Revision: 10

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd) OPTIONAL STANDBY SERVICE RATE IS APPLICABLE TO: (Cont'd)

3. Designated Technology Exemption of Standby Rates

- a) Customers whose facilities are placed in service after July 29, 2003, and meet the definitions of both Existing Customers and Designated Technology Customers, shall be considered to be Designated Technology Customers for purposes of this section.
- b) Designated Technology Customers whose facilities are placed in service after July 29, 2003, have the option to make a one-time election to be permanently exempt from standby service rates rather than electing full standby service rates upon providing 30 days written notice before commencing operation of the OSG facility.
- c) Existing OSG projects that upgrade by installing designated technology components, or hybrid projects comprised in part of designated technology components, are eligible for the designated technology exemption only for the upgrade components and only if those components are separately metered.

CHARACTER OF SERVICE:

Continuous, Alternating Current - 60 cycle; voltage and phase at the Company's option, as available and appropriate for the Customer's requirement.

ISSUED BY: Jeremy J. Euto, Vice President – Regulatory, Rochester, New York

PSC No: 19 - Electricity
 Rochester Gas and Electric Corporation
 Initial Effective Date: June 1, 2026
 Issued in compliance with Order in Case No. 25-E-0379, dated May 14, 2026.

Leaf No. 242
 Revision: 22
 Superseding Revision: 20

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

RATES:

An existing customer that taking service pursuant to this Service Classification as of January 1, 2024, shall be phased-in to the Redesigned Rates over a five-year period as described below for each year.

A customer may make a one-time election to take service at the Redesigned Rates in lieu of the phase-in. Such election shall be provided by the customer to the Company in writing. Once a customer has elected to take service at the Redesigned Rates, the customer may not return to the phase-in.

An existing customer that elects the phase-in shall be billed on the percentage basis shown below using the Prior Rates and the Redesigned Rates for each year:

	Prior Rates	Redesigned Rates
Year 1	83.3%	16.7%
Year 2	66.6%	33.4%
Year 3	49.9%	50.1%
Year 4	33.2%	66.8%
Year 5	16.5%	83.5%

At the conclusion of Year 5, a customer shall be subject to the Redesigned Rates.

Delivery Charges:

The rate components of the delivery portion of this service: Customer Charge, Bill Issuance Charge, Contract Demand Charge, Reactive Charge, and As-Used Demand Charge.

1.

Per customer, per month.		
Customer Charge		Effective: 6/1/2026
Customer's OASC:	Prior Rates	Redesigned Rates
S.C. No. 1	\$23.00	\$23.00
S.C. No. 2	\$23.00	\$23.00
S.C. No. 3	\$401.00	\$401.00
S.C. No. 7	\$162.00	\$162.00
S.C. No. 8 - Secondary	\$1,725.00	\$1,725.00
S.C. No. 8 - Substation	\$3,875.00	\$3,875.00
S.C. No. 8 - Primary	\$2,175.00	\$2,175.00
S.C. No. 8 - Sub Transmission-Industrial	\$4,300.00	\$4,300.00
S.C. No. 8 - Sub Transmission-Commercial	\$4,050.00	\$4,050.00
S.C. No. 8 - Transmission	\$6,400.00	\$6,400.00

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: June 1, 2026
Issued in compliance with Order in Case No. 25-E-0379, dated May 14, 2026.

Leaf No. 242.0
Revision: 2
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

RATES:

1. (Cont'd)

Reserved for Future Use

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: June 1, 2026
Issued in compliance with Order in Case No. 25-E-0379, dated May 14, 2026.

Leaf No. 242.1
Revision: 10
Superseding Revision: 8

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

RATES:

Delivery Charges: (Cont'd):

Reserved for Future Use

PSC No: 19 - Electricity
 Rochester Gas and Electric Corporation
 Initial Effective Date: June 1, 2026
 Issued in Compliance with Order in Case No. 25-E-0379, dated May 14, 2026.

Leaf No. 242.2
 Revision: 10
 Superseding Revision: 8

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

RATES:

Delivery Charges: (Cont'd):

2. Contract Demand Charge:

The Contract Demand Charge is determined by multiplying the Customer's Contract Demand times the Contract Demand rate.

Contract Demand	Prior Rates	Redesigned Rates
Customer's OASC: Effective: June 1, 2026	Contract Demand Charge, per kW of Contract Demand*	Contract Demand Charge, per kW of Contract Demand
SC No. 1*	\$25.00	\$6.22
SC No. 2*	\$23.93	\$6.47
SC No. 3	\$10.21	\$4.32
SC No. 7	\$12.47	\$3.18
SC No. 8 - Secondary	\$8.84	\$1.08
SC No. 8 - Substation	\$6.21	\$0.00
SC No. 8 - Primary	\$7.42	\$3.73
SC No. 8 - Sub Transmission-Industrial	\$2.02	\$1.17
SC No. 8 - Sub Transmission-Commercial	\$2.00	\$1.91
SC No. 8 - Transmission	\$9.43	\$2.41
* Contract Demand Charge for Prior Rates is per customer, per month		

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: June 1, 2026
Issued in compliance with Order in Case No.25-E-0379, dated May 14, 2026.

Leaf No. 242.3
Revision: 2
Superseding Revision: 0

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

RATES:

Delivery Charges: (Cont'd):

Reserved for Future Use

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: August 12, 2016
Issued in compliance with Order in Case 15-E-0285 dated June 15, 2016.

Leaf No. 243
Revision: 18
Superseding Revision: 17

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

Delivery Charges: (Cont'd):

Reserved for Future Use

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

Delivery Charges: (Cont'd):

3. As-Used Demand Charge:

Daily As-Used Demand Charge for customers with interval metering, on-peak kW, per kW of daily metered demand.

Prior Rates

OASC	SC No. 3	SC No. 7	SC No. 8
	\$0.54045	\$0.17684	
Secondary			\$0.58368
Substation			\$0.28982
Primary			\$0.61041
Sub Trans- Industrial			\$0.67693
Sub Trans – Commercial			\$0.72874
Transmission			\$0.14209

Redesigned Rates

Daily As-Used Demand Charge, per kW of daily metered demand, during On-Peak and Super-Peak hours, as applicable.

On-Peak:

OASC	SC No. 3	SC No. 7	SC No. 8
	\$0.64635	\$0.67920	
Secondary			\$0.66614
Substation			\$0.44363
Primary			\$0.55341
Sub Trans- Industrial			\$0.48723
Sub Trans – Commercial			\$0.59360
Transmission			\$0.35968

Super-Peak:

OASC	SC No. 3	SC No. 7	SC No. 8
	\$1.29269	\$1.35841	
Secondary			\$1.33228
Substation			\$0.88727
Primary			\$1.10682
Sub Trans- Industrial			\$0.97446
Sub Trans – Commercial			\$1.18720
Transmission			\$0.71935

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: June 1, 2026

Leaf No. 243.1.1
Revision: 2
Superseding Revision: 0

Issued in compliance with Order in Case No. 25-E-0379, dated May 14, 2026.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

Reserved for Future Use

PSC No: 19 - Electricity
 Rochester Gas and Electric Corporation
 Initial Effective Date: June 1, 2026
 Issued in compliance with Order in Case No. 25-E-0379, dated May 14, 2026.

Leaf No. 243.2
 Revision: 9
 Superseding Revision: 7

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

Daily As-Used Demand Charge for customers without demand metering.

Prior Rates:

	Delivery	
	Effective Date	
	June 1, 2026	
OASC:	SC No. 1	SC No. 2
	\$0.04533	\$0.03800

Redesigned Rates:

Daily As-Used Demand Charge, per kW of daily metered demand, during On-Peak and Super-Peak hours, as applicable.

	Delivery	
	Effective Date	
	June 1, 2026	
OASC:	SC No. 1	SC No. 2
On-Peak	\$0.17219	\$0.21087
Super-Peak	\$0.34438	\$0.42174

4. Non-Bypassable Charge (“NBC”):

All kWh, per kWh

Per TCS Statement.

Rate Periods:

Prior Rates

Existing Customers that were taking service as of October 13, 2023:

On-Peak hours are defined for kW, kWh, and Daily As-Used Demand as the hours between 7:00 a.m. and 11:00 p.m., Monday through Friday. All remaining hours are defined as “Off-Peak” hours.

Redesigned Rates

On-Peak hours are defined for kW and kWh as the hours between 7:00 a.m. and 11:00 p.m., Monday through Friday. All remaining hours are defined as “Off-Peak” hours.

For As-Used Demand:

Summer Super-Peak hours	2:00 pm - 5:59 pm on Non-Holiday Weekdays	Summer months are June, July, August, and September
Summer On-Peak hours	7:00 am - 1:59 pm and 6:00 pm – 10:59 pm on Non-Holiday Weekdays	Non-Summer months are October, November, December, January, February, March, April, and May
Non-Summer On-Peak hours	7:00 am – 10:59 pm on Non-Holiday Weekdays	
Off-Peak hours	All other hours including Holidays*	

* Holidays are New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: January 1, 2024
Issued in compliance with Order in Case No. 15-E-0751, dated October 13, 2023.

Leaf No. 243.3
Revision: 0
Superseding Revision:

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

REACTIVE CHARGE:

Reactive kilovolt-ampere hours, per billing reactive kilovolt-ampere hour: \$0.00127

MERCHANT FUNCTION CHARGE (MFC):

All kW hours, per kWh Per MFC Statement, as described in Rule 12

SYSTEM BENEFITS CHARGE:

Each customer bill for service under this Service Classification shall be increased by multiplying all kWh delivered by the applicable System Benefits Charge rate shown in the System Benefits Charge Statement as mandated by Public Service Commission Order issued January 26, 2001.

ELECTRIC VEHICLE (“EV”) MAKE-READY SURCHARGE (“EV SURCHARGE”):

The EV Surcharge shall be applied per kWh delivered under this Service Classification, (as explained in this Schedule General Information Rule 33). The rate shall be set forth on the EVMR Statement.

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: January 1, 2025
Issued in compliance with Order in Case No. 24-E-0493, dated December 19, 2024.

Leaf No. 244
Revision: 17
Superseding Revision: 16

**SERVICE CLASSIFICATION NO. 14
STANDBY SERVICE (Cont'd)**

MINIMUM CHARGE:

The minimum charge per month for service under this Service Classification is the Contract Demand Charge if applicable, plus the Customer Charge and Bill Issuance Charge, if applicable, as listed above.

REVENUE DECOUPLING MECHANISM ("RDM"):

A customer taking service under this Service Classification shall be subject to a Revenue Decoupling Mechanism adjustment (as explained in this Schedule, General Information Section 4.K.). See RDM Statement.

A customer billed at OASC as provided in this Service Classification shall be subject to a Revenue Decoupling Adjustment (as explained in this Schedule, General Information Section 7). See RDM Statement. The RDM Adjustment for the customer's OASC shall apply.

RATE ADJUSTMENT MECHANISM ("RAM"):

The RAM shall be applied per On-Peak As-Used Demand delivered under this Service Classification, (as explained in in this Schedule General Information Rule 24). See RAM Statement.

EARNINGS ADJUSTMENT MECHANISM (EAM):

The EAM shall be applied per On-Peak As-Used Demand delivered under this Service Classification, (as explained in this Schedule General Information Rule 4.K.). The rate shall be set forth on the EAM Statement.

NON-WIRES ALTERNATIVE (NWA) SURCHARGE:

The NWA Surcharge shall be applied per On-Peak As-Used Demand delivered under this Service Classification, (as explained in this Schedule General Information Rule 32). The rate shall be set forth on the NWA Statement.

RECOVERY CHARGE

The Recovery Charge shall be applied per On-Peak As-Used Demand delivered under this Service Classification, (as explained in this Schedule General Information Rule 41). The rate shall be set forth on the Recovery Charge Statement.

INCREASE IN RATES AND CHARGES:

The rates and charges under this Service Classification, including any adjustments and minimum charge, are increased by the applicable effective percentage shown in Rule 4.J of this Schedule for service supplied within the municipality where the Customer is taking service.

TERMS OF PAYMENT:

Bills rendered under this Service Classification are payable on receipt. A late payment charge of 1½% per month shall be billed on all amounts not paid by the "past due" date. For additional information, see Rule 4, Metering and Billing, of this Schedule.

TERM:

A minimum of one year and thereafter until terminated by 60 days written notice.

DETERMINATION OF DEMAND:

Contract Demand:

A customer shall have the option of accepting a Contract Demand established by the Company or of establishing its own Contract Demand in accordance with this tariff. Without regard to which party sets the customer's Contract Demand, upon the occurrence of an exceedence, the Contract Demand shall be ratcheted up by the amount of the exceedence.

ISSUED BY: Jeremy J. Euto, Vice President – Regulatory, Rochester, New York

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

DETERMINATION OF DEMAND (Cont'd)

1. Company Set Contract Demand (Cont'd)

Where a customer elects to have the Company establish the Contract Demand, that customer shall not incur a surcharge if that Contract Demand is exceeded except as described in this tariff. A customer shall be obligated to inform the Company in writing prior to the installation or removal of equipment, or any change in operation, that can be reasonably expected to change in a material fashion (defined as a change of more 12.5%) the capacity required to deliver electricity to the customer. If the customer fails to provide such notice, and the customer exceeds the Company-established Contract Demand, the Company shall have the right to include a surcharge in the customer's bill equal to the product of the applicable Contract Demand charge, the amount of the exceedence, and the number of billing periods from and including the billing period in which the customer first commenced taking Standby Service from the Company at the understated Contract Demand, i.e., the billing period in which the customer installed the equipment or changed the operation that caused the exceedence (as demonstrated by the customer to the Company in writing), to the billing period that includes the date of the exceedence. If the customer fails to demonstrate in writing when it installed such equipment or changed such operation, then the Company shall apply the surcharge from the first billing period in which the customer commenced taking Standby Service from the Company.

2. Customer Set Contract Demand

Upon prior written notice to the Company, a customer may revise its Contract Demand upward at any time.

A customer that sets its own Contract Demand may revise its Contract Demand downward by written notice to the Company once every 12 months. The new Contract Demand level cannot be set at a level lower than the highest demand achieved in the previous 12 months unless the customer demonstrates in writing to the Company's reasonable satisfaction that electricity-consuming equipment is removed or disabled in place. The Company shall have the right to inspect the premises of a customer upon reasonable notice and at reasonable times in order to confirm that such energy-consuming equipment has been so removed or disabled.

Where a customer elects to establish its own Contract Demand, and (a) an exceedence of more than 0% but less than 10% occurs, a surcharge shall apply to the current monthly bill equal to 12 times the sum of the monthly Contract Demand charges calculated for the excess demand, (b) an exceedence of 10% or more but less than 20% occurs, a surcharge shall apply to the current monthly bill equal to 18 times the sum of the monthly Contract Demand charges calculated for the excess demand, and (c) an exceedence of 20% or more occurs, a surcharge shall apply to the current monthly bill equal to 24 times the sum of the monthly Contract Demand charges calculated for the excess demand.

Where a new customer installs OSG, or an Existing Customer installs new OSG, during a two year period commencing February 1, 2004, one exceedence in the first year of OSG operation of less than 10% in magnitude would be excused from any surcharge. For purposes of this paragraph, the OSG shall be deemed to have commenced operation when the OSG first delivers electricity to serve the customer's load.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

As-Used Demand:

1. The as-used demand for customers with interval metering shall be the aggregate of the highest daily 30-minute integrated demand (measured in kW) occurring during the On-Peak hours as defined in "Rate Periods" above, during the billing period. If in any billing period, there is a failure in the metered usage data acquisition that results in the failure to record daily as-used demand data, the Company reserves the right to estimate reasonable values for the missing data for recording and billing purposes.
2. The as-used demand, for customers without demand metering, and not billed at the OASC shall be the monthly metered kilowatt hours.

METERING AND COMMUNICATION REQUIREMENTS:

1. A customer with OSG and is demand-metered with 50 kW or more of Contract Demand shall be required to have interval metering and remote meter reading capability. Such customers will be responsible for the following:
 - a) the incremental costs of interval metering equipment and its installation;
 - b) the costs of providing remote meter reading capability through telecommunications to and from the meter; and
 - c) the costs associated with resolution of any problems with the telecommunications provider, including reimbursing the Company for any expenses the Company incurs.
2. A customer who provides telecommunications to the meter shall be responsible for all costs associated with the installation, operation and maintenance of the telecommunications line, including but not limited to, all telecommunications service bills.

If the Company is unable to read the meter through a customer provided connection, and the Company has determined that the problem is not caused by the Company's equipment, the customer shall be responsible for resolution of the problem. The customer shall also be responsible for reimbursement of Company expenses incurred for visits to the meter location to ascertain the cause of the problem. To the extent the Company installs an interval meter with telecommunication capability, the Company may assess the incremental fees to the customer.

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: December 1, 2020
Issued in compliance with Order in Case No. 19-E-0380, dated November 19, 2020.

Leaf No. 246.1
Revision: 12
Superseding Revision: 11

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS:

Customers may select from two different Supply Service Options as described below. The Company shall offer a Retail Access rate choice and a Non-Retail Access rate choice.

The Retail Access choice (see below) is the ESCO Supply Service (ESS). The Non-Retail choice is the (see below) is the RG&E Supply Service (RSS).

The Company shall provide only delivery service for the Retail Access choice. Electricity supply is provided by an Energy Services Company ("ESCO").

The Company shall provide delivery service and commodity service for the Non-Retail Access choice.

1. ESCO Supply Service (ESS)

This Retail Access choice includes fixed components for the Company delivery service, a Transition Charge as described in Section 12.B, and a Bill Issuance Charge. Electricity supply is provided by an ESCO.

Delivery Rates are specified in the Delivery Charges section of this Service Classification.

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

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS (Cont'd)

2. RG&E Supply Service (RSS)

This Non-Retail Access choice includes fixed components for the Company delivery service, a Transition Charge as described in Section 12.B., a Bill Issuance Charge, and a commodity charge that fluctuates with the market price of electricity and consists of energy, capacity, capacity reserves, losses, unaccounted for energy, ancillary services, NYPA Transmission Access Charge (NTAC), transmission project costs allocated to the Company under the NYISO tariff as approved by FERC. Electricity supply is provided by the Company.

Delivery Rates are specified in the Delivery Charge sections of this Service Classification.

Electricity Supply Charge

Customers taking service under this RSS option must select from two different options for their electricity supply charge. One option is RSS, based on the customer's class deemed load shaped, as described in (a) below. The other option is Hourly Pricing, based on hourly metered usage, as described in (b) below.

- (a) For RSS, the charge for electricity supply service shall fluctuate with the market price of electricity and shall include the following components: energy, capacity, capacity reserves, line losses, ancillary services, NYPA Transmission Access Charge (NTAC), transmission project costs allocated to the Company under the NYISO tariff as approved by FERC, Supply Adjustment Charge, and a Merchant Function Charge. Customers shall be charged for energy based on their class deemed load shape using day-ahead prices adjusted for losses. They shall be charged for capacity based on their class deemed contribution to peak using the monthly NYISO capacity auction price, including an appropriate adder for capacity reserve responsibility.
- (b) Customers whose otherwise applicable service classification is S.C. No. 8 may elect to be served under the Hourly Pricing as described in detail below in Option 3

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS (Cont'd)

3. Hourly Pricing

Mandatory:

Once a customer qualifies for mandatory Hourly Pricing they shall remain subject to this provision until the Company determines their contract demand has been 200 KW or less for 12 consecutive months, at which time the customer shall be billed under another appropriate service classification.

Voluntary:

Through the customer's billing period ending on or after September 22, 2012, Hourly Pricing is voluntary for any customer who would otherwise qualify for service under Service Classification No. 8 – Large General Service – Time of Use Rate and does not meet the phase in criteria listed above. Once a customer elects Hourly Pricing they shall remain on Hourly Pricing.

Pricing:

This Non-Retail Access choice includes fixed components for the Company delivery service, a Transition Charge as described in Section 12.B, a Bill Issuance Charge, and a commodity charge that fluctuates with the market price of electricity as described in Section 12.C Electricity supply is provided by the Company.

Delivery Rates are specified in the Delivery Charges section of this Service Classification.

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: April 1, 2017
Issued in Compliance with Order in Case 15-E-0302, February 22, 2017.

Leaf No. 246.4
Revision: 3
Superseding Revision: 2

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SUPPLY SERVICE OPTIONS AVAILABLE TO CUSTOMERS (Cont'd):

3. Hourly Pricing (Cont'd)

Reserved for Future Use

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

PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: August 1, 2011
Issued in compliance with Order in Case 09-E-0717 issued and effective May 20, 2011

Leaf No. 246.5
Revision: 2
Superseding Revision: 1

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

Reserved For Future Use

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York

PSC No: 19 - Electricity

Rochester Gas and Electric Corporation

Initial Effective Date: December 1, 2016

Issued in compliance with Order in Case 16-E-0497 issued November 17, 2016.

Leaf No. 247

Revision: 5

Superseding Revision: 4

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

The Customer is responsible for its appropriate share of any penalties incurred by the Company from the NYISO, or others, for unscheduled energy use. The penalties include, but are not limited to, congestion costs, marginal losses, and installed or unforced capacity deficiencies.

INTERCONNECTION REQUIREMENTS:

1. A customer may connect an OSG facility for parallel operation with the Company's delivery system, or isolate for operation with Standby Service provided by a wholesale generator by means of a double throw transfer switch, or another transfer switching scheme acceptable to the Company.
2. A customer must complete an Application for Service and must operate in compliance with standards and requirements set forth in either the Distributed Generation Interconnection Requirements found in the SIR Addendum to this Schedule at Section II, "Interconnection Requirements" or RG&E's Bulletin 86-01. In addition, customers must execute either the NYS Standardized Contract For Interconnection of New Distributed Generation Units With Capacity of 300 kVA or Less, or Farm Waste Generators of 2,000 kW or Less, to be Operated in Parallel ("SIR Contract"), as contained in the SIR Addendum to this Schedule, or the applicable contract.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

INTERCONNECTION REQUIREMENTS (Cont'd)

3. A customer and the Company shall agree as to the operating mode, interconnection and equipment specifications for the OSG facility pursuant to either a or b below, as may be amended or superseded:
 - a) the SIR Contract, or
 - b) RG&E's Bulletin 86-01.
4. A customer shall be responsible for all costs associated with its OSG interconnection as set forth in the requirements listed in paragraphs 3a or 3b above, as applicable.
5. Maintenance Schedules: A customer applying for Standby Service with a standby Contract Demand greater than 1000 kW is required to provide the Company with a schedule of OSG maintenance. A schedule must include the dates and times for the beginning and ending of all planned outages. A customer may revise the schedule one month prior to the effective date of the outage. However, modifications communicated with less than one month's notice shall not be allowed, unless the customer obtains Company approval. The annual provision of planned maintenance schedules by the customer shall take place on October 1 of each year for Standby Service for the following calendar year. Such schedule shall be utilized by the Company for planning functions. This provision does not take precedence with respect to any OSG maintenance provision in a power purchase agreement that may be in effect with the Company.
6. At the time of agreement, the customer with an OSG greater than 300 kVA, excluding Net Metered Farm Waste Generators less than 2,000 kW, may select the payment method for paying the Company operations and maintenance charges on the interconnection equipment paid for by the customer but owned by the Company. The customer may select to pay either the actual charges for maintenance, as they may occur, or the customer may choose to pay an annual carrying charge of 9% (subject to review in the Company's rate case proceedings) on the total investment in such equipment. The operations and maintenance costs on such equipment is billed on a monthly basis pursuant to the applicable contract or agreement.
7. NAERC Guidelines: A customer taking Standby Service shall comply with all reliability criteria, guidelines, and procedures established by the North American Electric Reliability Council ("NAERC") as the same may be amended or superseded. Such compliance is necessary to ensure the continued reliability of North America's interconnected electric transmission electric systems.

UNAUTHORIZED OSG INTERCONNECTION BY CUSTOMER:

If a customer connects OSG to its electric system without: (a) notifying the Company; and (b) executing an appropriate Standby Service Application, and thereafter the Company discovers the interconnection, the Company shall backbill the customer for all Standby Service rendered subsequent to the estimated connection of such OSG.

In preparing such backbills, the Company shall assess a Standby Service Contract Demand surcharge equal to two times that which would otherwise be computed under the Determination of Demand Provision, paragraph 1 (Company Set Contract Demand) of this Service Classification, and assume the standby Contract Demand had been inappropriately established at 0 kW.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SPECIAL PROVISIONS FOR CUSTOMERS WITH ON-SITE GENERATION:

(a) Demand Metered Customer With Less Than 50 kW of Contract Demand:

A customer with a Contract Demand of less than 50 kW without interval metering shall be billed at the OASC rate. A customer with a Contract Demand of less than 50 kW can choose to be served at the standby rate, provided that the customer pays all one-time and ongoing costs associated with the purchase and installation of an interval meter, and telecommunication equipment as discussed in the "Metering and Communications Requirements" section of this Service Classification.

(b) Small Customer Exclusion:

Small customers, defined as those customers qualifying for service under Service Classification No. 1 – Residential, Service Classification No. 2 - Small General Service, or Service Classification No. 4 – Residential Service – Time-of-Use Rate, shall be billed at the OASC rate instead of the Standby Service rate. This exemption shall be discontinued upon the date that 150 standby customers are billed under this provision, provided, however, that the discontinuance of this exemption shall not affect any customer that received the exemption prior to the date of discontinuance, which customers shall continue to receive the exemption until the conclusion of the phase-in described in the "Optional Standby Service Rate Phase-ins is Applicable to" section of this Service Classification.

(c) Power Factor Adjustment:

Applicable to customers not subject to a reactive charge, if the Company determines that the Customer's equipment is so operated that the maximum kilovolt-amperes of lagging reactive demand exceed 48% of the maximum kW demand during the billing month, the Customer shall remedy that condition in a manner deemed adequate by the Company, by either:

1. Installing and maintaining at its own expense the power factor corrective equipment deemed necessary by the Company to remedy the condition, or
2. Making a cash contribution of the actual reasonable cost of any power factor corrective equipment installed by the Company on its side of the point of delivery to affect such correction.

(d) Individually Negotiated Contracts:

1. Individual Agreements for Customers Considering Isolation

The Company is authorized to offer individually negotiated agreements for Standby Service to customers that may install back-up generation and disconnect their premises from the Company system in lieu of taking tariff Standby Service. The customer must document that it can physically, environmentally, and economically isolate from the Company's grid by installing and operating back-up generation at a lower cost than paying for Standby Service, and that such option is the alternative the customer shall select if the Company does not offer a negotiated rate alternative. At a minimum, the negotiated rate agreement must provide for recovery of the Company's marginal costs plus a reasonable contribution to the Company's recovery of its fixed costs. The Company shall respond to a customer application for a negotiated rate agreement within 90 days of its receipt with a negotiated rate agreement offer or a written explanation for its rejection of the application. Either party may seek from Staff a non-binding resolution of a dispute over the negotiation of such an individual rate agreement. In the event of a conflict between any provision of an agreement negotiated pursuant to this authority and any inconsistent provision of the Company's Joint Proposal filed April 15, 2003 in Case 02-E-0551 or the standby rate provisions of the Company's tariff on the same subject, the provision of the negotiated agreement shall take precedence and control.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SPECIAL PROVISIONS FOR CUSTOMERS WITH ON-SITE GENERATION: (Cont'd)

(d) Individually Negotiated Contracts: (Cont'd)

2. Individual Agreements for Customers Selling into the Wholesale Market

The Company is authorized to offer individually negotiated agreements for Standby Service with customers that sell into the market, or to a third party, no less than 90% of their site's energy output, net of station power requirements, from generators located on the site having a total name plate rating equal to or greater than 50 MW. The rates and charges negotiated shall reflect, where applicable, the characteristics of the specific interconnection arrangements, including, but not limited to, the voltage level of the interconnection, whether the interconnection is bi-directional, and the nature of the Company facility where the generator is interconnected with the Company system. The Company shall respond to a customer application for a negotiated rate agreement within 90 days of its receipt with a negotiated rate agreement offer or a written explanation for its rejection of the application. Either party may seek from Staff a non-binding resolution of a dispute over the negotiation of such an individual rate agreement. In the event of a conflict between any provision of an agreement negotiated pursuant to this authority and any inconsistent provision of the Company's Joint Proposal filed April 15, 2003 in Case 02-E-0551 or the standby rate provisions of the Company's tariff on the same subject, the provision of the negotiated agreement shall take precedence and control.

(e) Recharge New York ("RNY") Power Program

Customers who qualify for the Recharge NY Power Program pursuant to Section 4.L.5 of the General Information Section of this Schedule, shall have such power billed in accordance with the provision therein, as provided in Section 4.L.5, the maximum metered demand will be used in the load share calculation for all standby customers. The customer's power requirements in excess of the RNY Power allocation shall be billed in accordance with the ESCO Supply Service rate or the RG&E Supply Service rate of this Service Classification.

(f) Reliability Credit

1. Standby Customers with OSG shall be provided an opportunity to earn credits against their contract demand charges. The credit would be earned by reliably reducing load below the contract demand over a defined Measurement Period. During the 5-year phase-in period the calculation of the Reliability Credit shall be based on the customer's applicable phased-in Contract Demand Charge. A customer that elects to be billed at the new rates in lieu of the phase in shall no longer receive a Reliability Credit. The Reliability Credit will be phased out and completely eliminated effective January 1, 2029, for all customers.
2. For purposes of this Credit, the Measurement Period is weekdays from 7:00 am to 11:00 pm during the previous two consecutive full Summer periods; provided however, that the first year in which a Customer seeks a Credit, the Measurement Period is weekdays from 7:00 am to 11:00 pm during the previous full Summer period only. The Measurement Period shall exclude Outage Events, as selected by the Customer, as well holidays (i.e., Independence Day (observed) if it falls on a weekday and Labor Day).

For purposes of this Credit, the Summer Period is June 1 through September 30.

3. Outage Events are up to three time blocks for each Summer Period that, in aggregate, are comprised of no more than five 24-hour time periods, excluding weekends and holidays. If a time block contains a time period of less than 24 hours, the time period shall be rounded up to the next 24 hours (i.e., the 24-hour periods cannot be applied on a partial basis). If a time block encompasses a holiday or weekend, the start of the 24-hour period on the day prior to the holiday or weekend until the same hour the next business day shall be considered to be a single 24-hour period.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SPECIAL PROVISIONS FOR CUSTOMERS WITH ON-SITE GENERATION: (Cont'd)

(f) Reliability Credit (Cont'd)

4. The Credit for any Measurement Period shall be equal to the difference between the Customer's Contract Demand in kW, and the Customer's highest kW demand recorded on the Customer's revenue meter (net of generation), multiplied by the Contract Demand Delivery Charge per kW that is in effect on October 1 of the year in which the Credit is determined. The Credit shall be applied to the Customer's successive 12 monthly customer bills commencing in November until the following October. If a customer is billed under Special Provision (g) of this Service Classification, the Outage Events for all Standby Supplied Accounts shall be the same and shall be specified by the Standby Generation Account. Each Standby Supplied Account's Credit shall be calculated individually.
5. A customer seeking a Credit must request such credit by October 14 of each year for which the Credit is sought and, at the same time, specify the Outage Events the customer requests to be excluded from the measurement period. If October 14 falls on a weekend or holiday, the Company shall accept requests until the next business day. Prior to October 14, the Company shall notify customers of their need to request the applicable Credit.
6. Credits provided to standby customers shall be recovered from all customers, including standby customers, through the applicable Transition Charge.
7. A DER that receives compensation pursuant to Rule 26.B.Value Stack, for exports to the system, or a demand-metered customer without OSG that opts to select the applicable rates under this Service Classification in lieu of the rates under their OASC, are excluded from receiving the Reliability Credit.
 - i. A customer with grid-connected electric energy storage system or a DER that receives compensation pursuant to Rule 26.B. Value Stack, for exports to the system is excluded from receiving the Reliability Credit.

(g) Standby Offset

A customer with qualifying on-site generation connected to the Company's distribution system may use its excess generation to supply two or more Standby Supplied Accounts as long as all of the requirements in this provision are met.

Definitions

Standby Generation Account: The customer meter where the generating equipment is located and interconnected with the Company's distribution system.

Standby Supplied Accounts: Additional meters billed under this standby service class designated by the Standby Generation Account for the application of excess generation that meet the Standby Supplied Account requirements listed below.

Eligibility

1. Standby Generation Account
 - a. The Standby Generation Account's generating facility must (i) have a total nameplate rating of over 2 MW but no more than 20 MW; and (ii) meet eligibility criteria for designation as efficient "combined heat and power" pursuant to the order of the Public Service Commission, dated January 23, 2004, in Case 02-E-0551, except with respect to maximum generating capacity. The generating facility may have more than one generating unit so long as the aggregate nameplate rating conforms to (i) above
 - b. The Standby Generation Account must have interval metering and meet the interval metering and telecommunication requirements of this service class before they shall be eligible for the offset provision. The meter and telecommunications for the account associated with the Standby Generation Account's excess generation must be provided and maintained at the customer's expense, and must be operational before the customer may take service under this provision.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SPECIAL PROVISIONS FOR CUSTOMERS WITH ON-SITE GENERATION: (Cont'd)

(g) Standby Offset (Cont'd)

Eligibility (Cont'd)

1. Standby Generation Account (Cont'd)
 - c. All interconnection requirements of this service class must be met before an account shall be eligible for the offset provision. In addition, the interconnection must be technically and economically practicable, and the connection and operation of such facility shall not jeopardize the safety or operation of the Company's system, facilities or other customers.
 - d. Accounts that are eligible for net metering, remote net metering, community net metering, standby exemption, NYPA allocations including RNY, or economic development rates are not eligible for this offset provision.
 - e. Each Standby Generation Account shall be billed with the applicable standby service rates in this service class.
 - f. Each Standby Generator Account is eligible for the supply options as described in this service class.
 - g. Customers that have a Standby Generation Account may take service under the Company's Buy Back service, Service Classification No. 5, if the export of the generating facility exceeds the aggregate registered kWh usage on the Standby Generation Accounts and the Standby Supplied Accounts.
2. Standby Supplied Accounts

The Standby Supplied Accounts designated by the Standby Generation Account customer must all be established in a single customer's name ("Single Party Offset"); or

 - a. The Standby Generation Account and the Standby Supplied Accounts designated by the customer to receive the output of the generating facility may be established in two or more customer names ("Multi-Party Offset"), provided all of the following conditions are met:
 - (1) at least one of the Standby Supplied Accounts must be in the same customer name as the Standby Generation Account (owner or operator of the generating facility or ("Sponsor")) and have a Contract Demand equal to 10% or more of the nameplate rating of the generating facility;
 - (2) the Sponsor shall be responsible for coordinating the interconnection and operation of the generating facility with the Company; and
 - (3) at the time of application under the Multi-Party Offset, the Sponsor must submit a signed application for all Standby Supplied Accounts to be supplied by the output of the Sponsor's generating facility and a signed Percentage Allocation Form. Both forms shall be available on the Company's website.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SPECIAL PROVISIONS FOR CUSTOMERS WITH ON-SITE GENERATION: (Cont'd)

(g) Standby Offset (Cont'd)

Eligibility (Cont'd)

2. Standby Supplied Accounts (Cont'd)

- b. The Standby Generation Account, and the Standby Supplied Accounts must all be located within a single “premises.” For purpose of this Special Provision only, “premises” is defined as follows:
 - (1) Under Single Party Offset, “premises” shall mean “a parcel of land; or more than one building and/or parcel of land proximate to each other if there is common use, whether or not such buildings or parcels are separated by public or private roads.” All of the Standby Supplied Accounts must be connected to the Company’s distribution system. All standby accounts must be within the same load zone as determined by the Locational Based Market Price. The accounts of a customer whose buildings or parcels of land are not physically interconnected may meet the definition of a single “premises” upon the customer’s demonstration of proximity and common Company facilities to the Company.
 - (2) Under Multi-Party Offset, “premises” shall mean a single building or multiple buildings in which each customer is connected to the generating facility by private thermal loop that delivers steam, hot water, or chilled water.
- c. Each Standby Supplied Account shall have no other source of generation located on the premises and shall not participate under the provisions of remote net metering, net metering for customer generators, or Community Distributed Generation.
- d. Each Standby Supplied Account and the export of the Standby Generation Account must be separately metered using Commission-approved, revenue grade, interval metering with telecommunications capability. The metering must be compatible with the Company’s metering infrastructure, including compatibility with the Company’s meter reading systems and communication systems.
- e. Each Standby Supplied Account shall be billed with the applicable standby service rates in this service class.
- f. Each Standby Supplied Account must have interval metering and meet the interval metering and telecommunication requirements of this service class before they shall be eligible for the offset provision. The meter and telecommunications for each Standby Supplied Account must be provided and maintained at the customer’s expense, and must be operational before the customer may take service under this provision.
- g. Each Standby Supplied Account is eligible for the supply options as described in this service class.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SPECIAL PROVISIONS FOR CUSTOMERS WITH ON-SITE GENERATION: (Cont'd)

(g) Standby Offset (Cont'd)

Eligibility: (Cont'd)

3. Billing Applicable to Each Standby Supplied Account

a. Customer Charge

The Customer Charge and meter charges for each account (the Standby Generation Account and the Standby Supplied Accounts) shall be equal to the customer and meter charges listed in this service class plus the additional Customer Charge listed below.

b. Contract Demand

The Contract Demand for each account (the Standby Generation Account and the Standby Supplied Accounts) shall be determined based on the maximum potential demand on the Company's system to serve that individual account, including the delivery of supply from all sources.

4. For Accounts Supplied under the Single Party Offset:

For purposes of this Offset Provision, the following definitions apply:

"Allocated As-used Generator Demand" means, for each Standby Supplied Account supplied by the Standby Generating Account's excess generation, the demand registered on the Standby Supplied Account's meter(s) multiplied by the lower of: (a) 1 or (b) the ratio of the Standby Generating Account's excess generation measured in kW to the sum of demands on the meters of all Standby Supplied Accounts.

"Allocated Generator Supply" means, for each Standby Supplied Account supplied by the Standby Generating Account's excess generation, the demand registered on the Standby Supplied Account's meter(s) multiplied by the lower of: (a) 1 or (b) the ratio of the Standby Generating Account's excess generation measured in kWh to the sum of the kWh registered on the meters of the Standby Supplied Accounts.

Allocated As-used Generator Demand and Allocated Generator Supply shall be determined for each 15-minute interval. Adjustments shall be made for transformation losses as applicable.

5. For Accounts Supplied under the Multi-Party Offset:

For purposes of this Offset Provision, the following definitions apply:

"Allocated As-Used Generator Demand" means, for each Standby Supplied Account, the lower of: (a) the demand registered on the Standby Supplied Account or (b) the demand registered on the meter(s) measuring the generating facility's output multiplied by the Standby Supplied Account's Percentage Allocation. If the generating facility's output multiplied by the Standby Supplied Account's Percentage Allocation exceeds the demand registered on the Standby Supplied Account, the excess amount shall not be redistributed to other accounts nor carried forward to the succeeding billing period.

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SPECIAL PROVISIONS FOR CUSTOMERS WITH ON-SITE GENERATION: (Cont'd)

(g) Standby Offset (Cont'd)

Eligibility: (Cont'd)

5. For Accounts Supplied under the Multi-Party Offset (Cont'd):

“Allocated Generator Supply” means, for each Standby Supplied Account, the lower of: (a) the total kWhs registered on the Standby Supplied Account’s meter(s) or (b) the total kWhs registered on the meter(s) measuring the generating facility’s output multiplied by the Standby Supplied Account’s Percentage Allocation. If the generating facility’s output multiplied by the Standby Supplied Account’s Percentage Allocation exceeds the kWhs registered on the Standby Supplied Account’s meter(s), the excess amount shall be credited to the extent described in Service Classification 14, Special Provision (g)1.b.

“Percentage Allocation” means the percentage of the generating facility’s output that the Sponsor has allocated to each Standby Supplied Account under the Multi-Party Offset. A single percentage shall be applied to both the Allocated As-Used Generator Demand and the Allocated Generator Supply.

The Percentage Allocations must total 100%, of which the Sponsor must establish:

- a. a Percentage Allocation of 10% or more to a single Standby Supplied Account in the Sponsor’s name; and
 - b. a Percentage Allocation of no less than 5% or more than 90% to each additional Standby Supplied Account. The Standby Supplied Accounts and the Percentage Allocation to each must be assigned in writing by the Sponsor, using the Percentage Allocation Form, at least 30 days before commencing service under the Multi-Party Offset. The Percentage Allocations and the Standby Supplier Accounts may be changed as described on the form. No credits shall be applied if the Sponsor ceases to have a Standby Supplied Account or ceases to own or operate the generating facility. If a Standby Supplied Account is closed, its credits shall be forfeited unless the Company receives a new Form within 30 days of the account’s closure.
6. Each Standby Supplied Account shall be billed under Standby Service rates listed in this service class, as modified below:
- a. An additional Customer Charge of \$50.00 per account per billing period, shall be applicable to cover incremental billing and administrative costs associated with providing service under this provision.
 - b. The per-kWh delivery charges and adjustments described in this service class shall be applied to the total kWhs registered on the account’s meter(s) reduced by the Allocated Generator Supply for each 15-minute interval (adjusted for losses as applicable).

SERVICE CLASSIFICATION NO. 14

STANDBY SERVICE (Cont'd)

SPECIAL PROVISIONS FOR CUSTOMERS WITH ON-SITE GENERATION: (Cont'd)

(g) Standby Offset (Cont'd)

Eligibility: (Cont'd)

6. Each Standby Supplied Account shall be billed under Standby Service rates listed in this service class, as modified below: (Cont'd)
 - c. For each 15-minute interval, the registered demand on the account's meter(s) shall be reduced by the Allocated Generator Demand for purposes of determining the daily maximum demand that is used for billing As-used Daily Demand Delivery Charges.
 - d. If the Customer purchases supply from the Company, the per-kWh supply charges and adjustments described in this service class shall be applied to the total kilowatthours registered on the account's meter(s) reduced by the Allocated Generator Supply for each 15-minute interval (adjusted for losses as applicable).
7. The Allocated As-used Generator Demand and Allocated Generator Supply shall be assumed to be zero for time periods where there is insufficient interval data available to ascertain that the Generating Facility supplied output to any associated Standby Service account.
8. The Reactive Charge shall be calculated as described in this service class and shall not be adjusted by this provision.

- (h)**
1. A customer that is not participating in Special Provision (f.) or Special Provision (g.) herein may opt to participate in Rule 26.B, Value Stack, with a qualifying generator (i.e. a CES Tier 1 eligible generator as provided in Rule 26.B.1.a.iii) for compensation of net hourly injections. The Company shall install appropriate metering capable of recording the net hourly consumption and injection for the customer. The customer shall be responsible for the cost of the meter, the installation, and any additional costs.