

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

In the Matter of Consolidated Billing
For Distributed Energy Resources

)
)

Case 19-M-0463

**PETITION OF THE JOINT UTILITIES TO ESTABLISH NET CREDITING FOR
VOLUMETRIC COMMUNITY DISTRIBUTED GENERATION PROJECTS**

Pursuant to the Public Service Commission's (Commission) December 12, 2019 *Order Regarding Consolidated Billing for Community Distributed Generation*,¹ the Joint Utilities² hereby petition the Commission for approval of a volumetric community distributed generation (CDG) Net Crediting program (Petition). In support of this Petition, the Joint Utilities provide each of the utilities' draft tariff leaves in Appendix A, an updated Net Crediting Agreement (Agreement) common to all the utilities in Appendix B, versions of the Net Crediting Manual (Manual) for each of the utilities in Appendix C, and sample bills Volumetric Net Crediting bills for each of the utilities in Appendix D. The Joint Utilities anticipate that this additional offering whereby volumetric CDG projects will be able to participate in the Net Crediting program will improve the customer experience for both developers and subscribers.

¹ Case 19-M-0463, *In the Matter of Consolidated Billing for Distributed Energy Resources* (Net Crediting Proceeding), Order Regarding Consolidated Billing for Community Distributed Generation (issued December 12, 2019) (Net Crediting Order).

² The Joint Utilities are Central Hudson Gas & Electric Corporation (Central Hudson), Consolidated Edison Company of New York, Inc. (Con Edison), New York State Electric & Gas Corporation (NYSEG), Niagara Mohawk Power Corporation d/b/a National Grid (National Grid), Orange & Rockland Utilities, Inc. (O&R), and Rochester Gas and Electric Corporation (RG&E).

I. Volumetric CDG Market Overview

The Commission's July 17, 2015 *Order Establishing a Community Distributed Generation Program and Making Other Findings* (CDG Order)³ established Volumetric CDG. The CDG program enables customers for whom rooftop solar is not a viable option to directly participate in and enjoy the benefits of renewable energy programs as CDG Satellites (*i.e.*, CDG Subscribers). CDG Satellites subscribed to a CDG project pay a subscription fee to the CDG Host and, in return, receive credits on their utility bills for the excess output beyond usage at the CDG Host meter that the CDG project injects onto the utility distribution system. Each CDG Satellite receives two bills: one from the CDG Host for the subscription fee and the other from the utility for delivery service where the bill credits are applied.

These CDG projects compensate CDG Satellites through net energy metering (NEM) methodology, allocating volumetric kWh credits to their customers. These volumetric kWh credits are then converted to monetary credits based on the sum of all volumetric kWh rates associated with the CDG Satellite's retail utility bill during the applicable billing period, including delivery distribution rates, delivery surcharges, electric supply rates, and electric surcharges.

The Commission directed an immediate transition away from NEM in its *Order on NEM Transition, Phase One of VDER, and Related Matters* (VDER Phase One Order),⁴ creating two transitional tariff programs. The Phase One NEM tariff offers similar compensation to that of traditional NEM but with a 20-year compensation term limit. The newly created Value Stack

³ Case 15-E-0082, *Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions for Implementing a Community Net Metering Program*, Order Establishing a Community Distributed Generation Program and Making Other Findings (issued July 17, 2015) (CDG Order).

⁴ Cases 15-E-0751 *et al.*, *In the Matter of the Value of Distributed Energy Resources* (VDER Proceeding), Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters (issued March 9, 2017) (VDER Phase One Order).

tariff implemented a more comprehensive compensation methodology based on monetary crediting for net hourly injections. Projects interconnected to the utilities' distribution systems prior to the date of the VDER Phase One Order would retain NEM compensation and Phase One NEM would be available to projects that interconnected within 90 days of the VDER Phase One Order. Any projects that do not qualify for Phase One NEM are compensated under the Value Stack tariff. Currently, there are 92 volumetric CDG projects throughout the Joint Utilities' collective services territories. These 92 projects serve over 26,000 CDG Satellites and have a total capacity of 146 MW.

II. Benefits of the Net Crediting Program

The Net Crediting model for consolidated CDG billing was approved by the Commission in the Net Crediting Order.⁵ Net Crediting is intended to reduce or eliminate “soft costs” of developing distributed energy resources (DERs), including customer management costs, and billing and collection costs in particular.⁶ Net Crediting improves the customer experience by eliminating the two-bill process for Volumetric CDG Satellites. The Net Crediting methodology also benefits low-income customers, as it reduces or eliminates “a CDG Host’s reluctance to enroll customers based on creditworthiness or nonpayment concerns as the CDG Host will receive the Sponsor payment each month regardless of whether the customers pay their [utility] bill in full or on time.”⁷

⁵ Net Crediting Proceeding, *supra*, note 1.

⁶ Net Crediting Proceeding, Net Crediting Order, p. 2.

⁷ *Id.*, p. 16.

III. Tariff Changes Required to Implement Volumetric Net Crediting

The Joint Utilities took a two-step approach in creating the necessary language to establish Volumetric Net Crediting in their respective tariffs. First, each utility took the existing Net Crediting tariff language and removed distinguishing language specific to Value Stack methodology or references to Value Stack rules within the Net Crediting tariff leaves, as appropriate. The utilities then layered in any required language specific to volumetric methodology as it applied to the execution of the Volumetric Net Crediting offering. Specifically, detail regarding how a volumetric CDG Satellites' Net Credit would be calculated and applied to a CDG Satellite's utility bill was added so as to be complementary to the similar language for Value Stack CDG Satellites' Net Credit calculation.

IV. Bank Forfeiture

Current utility tariffs specify that any non-Value Stack CDG or Remote Net Metering (RNM) projects that opt into CDG Net Crediting will forfeit any banked volumetric credits on the existing project. To address this impediment to conversion, the Joint Utilities have offered tariff language to allow such projects to retain their existing CDG Host volumetric bank upon conversion to volumetric Net Crediting where such bank will become the starting balance of the new CDG Net Crediting project's host volumetric bank. However, the Joint Utilities further clarify in their respective draft tariff leaves that if the same type of non-Value Stack CDG or RNM project opts into Value Stack CDG Net Crediting, the existing CDG Host bank will be forfeited per existing tariffs regarding movement between compensation methodologies.

V. Additional Changes to Net Crediting

The Joint Utilities recognize there are ongoing proposed changes to CDG and Net Crediting.⁸ The Joint Utilities propose that any changes to the broader Net Crediting program would also apply to Volumetric Net Crediting, including possible implementation of multiple net member credit savings rates, the inclusion of multiple anchor tenants, and any other future initiatives. Though these types of future changes may alter the timeline for implementing Volumetric Net Crediting, it would maintain consistent treatment between Volumetric and Value Stack Net Crediting.

VI. Transfer or Assignment of Ownership

Some the Joint Utilities have experienced an increase in the transfer of CDG project ownership by CDG Hosts. When such an assignment occurs, the existing CDG Host account is closed and a customer account is opened in the assignee's name. Currently the utilities' respective tariffs specify that any CDG Host account closure results in a forfeiture of banked credits on the CDG Host account.⁹ An assignment scenario was not considered when this process was established. Each of the Joint Utilities, therefore, have included language in the appended draft tariff leaves incorporating a provision excluding CDG Host bank forfeiture for these types of transactions, which are increasingly common and should not result in forfeiture. As proposed, the CDG Host's banked credits will not be forfeited and the utilities will transfer CDG Host banked credits to the assignee's account. Similar language was added to draft Remote Crediting tariff leaves appended hereto as a number of Remote Crediting project

⁸ See Case 14-M-0224, *Proceeding on Motion of the Commission to Enable Community Choice Aggregation Programs*, Joint Utilities Comment on Department of Public Service Staff's Proposal on a Statewide Solar for All Proposal (filed August 21, 2023); see also Case 21-E-0629, *In the Matter of the Advancement of Distributed Solar*, Joint Utilities Multiple Net Member Credit (CDG Savings) Rates Technical Conference (filed August 16, 2023).

⁹ See, e.g., Niagara Mohawk Power Corporation d/b/a National Grid PSC No. 220 Electricity Tariff, Leaf 151.

assignments ownership have also occurred within some of the Joint Utilities' respective service territories.

VII. Changes to the Net Crediting Agreement

The Joint Utilities updated the Net Crediting Agreement common to all utilities by adding language that pertains to both Volumetric and Value Stack Net Crediting. In addition, language has been updated to clearly identify "CDG Sponsor" as the contracting party and "CDG Project" as the facility.

VIII. Changes to the Net Crediting Manual

Central Hudson, National Grid, and O&R took the approach of adding Volumetric Net Crediting language to their existing Net Crediting Manuals, which were previously Value Stack-specific. Where necessary, Value Stack language was removed when the subject matter applied to both methodologies. Language was added to the applicable sections of the Net Crediting Manuals where the Volumetric Net Crediting methodology or process differed from that of Value Stack Net Crediting. Given that the Net Crediting Manuals have not been updated since the inception of the Net Crediting program, minor housekeeping edits were included to update the document and add further clarity where necessary.

Con Edison created a separate Volumetric Net Crediting Manual as a companion to its existing Value Stack Net Crediting Manual. NYSEG and RG&E added a Net Crediting Manual to their Volumetric CDG procedural document consistent with the approach used for the Value Stack Net Crediting Manual. Though the utilities have slightly different methods of establishing the Volumetric Net Crediting Manual, the rules amongst utilities are generally the same.

IX. Customer Outreach

In March 2023, the Joint Utilities engaged with Volumetric CDG Hosts to gauge preliminary interest in a possible Volumetric Net Crediting offering. Given the finite population of volumetric CDG projects in each of the Joint Utilities' territories, the utilities were able to target the specific population that would be affected by the new program. The Joint Utilities plan to complete targeted outreach to each existing Volumetric CDG Hosts within 30 days after filing of this Petition and will notify stakeholders during future CDG Billing and Crediting Working Group meetings. This outreach will allow CDG Hosts the opportunity to review the proposed Volumetric CDG Net Crediting program in anticipation of consideration by the Commission. Because the Joint Utilities are able to contact the precise impacted customer group, the Joint Utilities request waiver of PSL §66 (12) (b) and 16 NYCRR §720-8.1 requirements concerning newspaper publication of the proposed tariff changes.

X. Implementation Timeline

Due to several factors, Central Hudson, Con Edison, National Grid, and O&R propose offering Volumetric Net Crediting 12 months after an order is issued.¹⁰ This implementation

¹⁰ NYSEG and RG&E propose offering Volumetric Net Crediting on or after April 1, 2026. These companies have been focused on Value Stack automation, scheduled to be implemented by year-end 2023. In 2024 the companies will continue to focus on Value Stack automation for items deferred during the initial automation and conversion activities of the 120 active Value Stack CDG projects with over 50,000 Satellite accounts at NYSEG and RG&E. The complexity and time to convert each Value Stack project may take weeks considering the amount of pre-work needed prior to conversion and number of Satellites per project; it must be done accurately to ensure proper CDG Host and satellite billing once a project is converted from manual billing to automation. NYSEG and RG&E went live with Volumetric CDG automation in January 2019 almost a year prior to the Net Crediting Order. As a result, the existing construct of Volumetric CDG requires substantial changes and testing to implement Net Crediting. CDG generation credits are specific to and calculated at the service class level. Within each service class there can be many different provisions and combinations thereof applicable to customers, increasing the complexity. Changes and thorough testing are required in each unique service class and provision as well as adding the basic infrastructure (Net Crediting enrollment, savings rate changes, allocation form and process changes, subscription and utility fee calculations, bill presentment, reporting, etc.) needed to automate CDG Volumetric Net Crediting. The Volumetric Net Crediting enhancements have been estimated to be a 15-month effort with a target start date no later than January 1, 2025.

timeframe is based on the utilities' understanding of the Volumetric Net Crediting methodology as proposed in this filing and substantial changes could extend implementation. There are numerous other regulatory proceedings that will require billing system enhancements prior to the utilities' ability to effectively implement Volumetric Net Crediting, such as Electric Vehicle Phase-In Rates, Standby & Buyback Rates, and Customer Benefit Contribution charge changes.¹¹ In addition, some of the utilities are in the process of billing system conversions or have future conversion plans. Moreover, the Joint Utilities emphasize that, given that Volumetric CDG is fully automated by all utilities and Value Stack Net Crediting automation is underway, Volumetric Net Crediting must also be programmed into the utilities' respective billing systems from inception. Manual implementation of Volumetric Net Crediting is infeasible for any of the Joint Utilities at this time as it would introduce billing delays and add potential for billing errors for both CDG Hosts and their subscribers, which would lead to lower customer satisfaction.

XI. Conclusion

The Joint Utilities respectfully request that the Commission approve the proposed Volumetric CDG Net Crediting program. Expanding the Net Crediting program beyond CDG Value Stack projects will improve the customer experience for those enrolled in volumetric CDG projects while offering administrative efficiencies to CDG project developers that were among the earliest adopters of the CDG program in New York State.

¹¹ Any Commission-directed changes to the existing Value Stack Net Crediting Program (*i.e.*, multiple net crediting savings rates, multiple anchor tenants) may delay implementation of Volumetric CDG Net Crediting.

Dated: October 20, 2023

Respectfully submitted,

**CONSOLIDATED EDISON COMPANY OF
NEW YORK, INC. and ORANGE AND
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Appendix A – Tariff Leaves

46. COMMUNITY DISTRIBUTED GENERATION (Cont'd)

Service Termination/Account Closure (Cont'd):

Assignment of Ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits will not be forfeited and the Company will transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits will be transferred to new CDG Host Account for future allocation to CDG Satellites by assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

Upon CDG Satellite account closure, all credits must be transferred back to the CDG Host Account. When a CDG Satellite terminates its subscription with a CDG Host, as indicated on the monthly allocation form, any remaining banked credits in the CDG Satellite Account's bank will be transferred to the CDG Host Account's bank. Once remaining credits have been transferred to the CDG Host, the Company shall not be responsible for any additional refunds or credits owed to the CDG Satellite Account for that CDG project. A CDG Satellite that has been removed from a CDG project but continues to maintain an active utility account may not subscribe to a new CDG project until the billing period after which all banked credits are returned to the previous CDG Host's bank.

Switching from CDG to Remote Crediting:

Interconnected CDG projects, whether Value Stack, or Net Crediting, may make a one-time, irrevocable election to switch from the CDG program into the Remote Crediting program as described herein. Upon switching such projects shall be subject to the Remote Crediting rules as described in General Information Section 49. Net Crediting CDG projects opting to switch to Remote Crediting will no longer be eligible for Net Crediting.

1. A CDG Host compensated via the Value Stack opting to switch to Remote Crediting shall provide the Company with notice of its intent to switch programs and submit completed switching certifications and CDG/Remote Crediting allocation forms within 60 days of a new project's first account billing date or within 45 days of the existing project's last Host account billing date.
2. Within 5 business days of receiving both forms described in Step 1 the Company shall review the switching certification and new host allocation forms and notify the Host of any rejected accounts and the reason for the rejection via electronic mail. In the case of rejected accounts the Host shall either submit a revised Host allocation form or confirm that the Company should move forward with the original allocation form with the rejected accounts removed, via electronic mail within five days of notification by the Company.
3. The Company shall conduct the last Host Account meter reading under the CDG program and allocate the final credits to the subscriber accounts on the most recently approved CDG allocation form for the project. Any excess Value Stack credits that are unallocated shall be added to the Host bank for future allocation.
4. The Company shall transfer any remaining banked subscriber credits to the CDG Host bank. The remaining banked credits for each subscriber will be calculated after the final utility bill that includes a CDG allocation is issued for the subscriber.
5. The Company shall provide the project Host with a final summary report.
6. The Company shall conduct the first Host Account meter reading under the Remote Crediting program and begin allocations to satellite accounts. Any unallocated or banked credits transferred to the CDG Host Bank, as described in steps three and four, shall be available for allocation by the Host Account to satellite accounts immediately, subsequent to the completion of both steps five and six.

Value Stack CDG projects that opt into Remote Crediting will retain the same Value Stack eligibility date as well as any Value Stack component rates locked in at the time of Eligibility.

46. COMMUNITY DISTRIBUTED GENERATION (Cont'd)

CDG Net Crediting Program

Value Stack CDG projects who meet the requirements specified above for a CDG Host or CDG Satellite may participate in the CDG Net Crediting Program commencing on March 1, 2021. Volumetric CDG projects, defined as CDG projects that allocate kWh to CDG Satellites, who meet the requirements specified above may participate in the CDG Net Crediting Program. The CDG Net Crediting Program provides for an alternate payment and crediting methodology for CDG Hosts and CDG Satellites that eliminates a separate participation payment from the CDG Satellite to the CDG Host. The Company will facilitate crediting the CDG Satellite's bills, collecting the CDG Subscription Fees and paying the CDG Host based on the value of the CDG project's net injections pursuant to General Information Section 48.B. and as further described below.

1. Enrollment

The CDG Host must enroll by indicating their participation in the program by executing a CDG Sponsor Net Crediting Agreement with the Company, at least 60 days for new projects and 30 days for existing projects, prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under the CDG program as defined in this Section. Value Stack CDG Hosts electing to participate commencing March 1, 2021 must enroll by January 1, 2021 for new projects and January 30, 2021 for existing projects.

The CDG Host enrollment information as specified on the CDG Allocation Request Form must include the "CDG Savings Rate" for the project, which is defined as the percentage (set in increments of a whole percentage) of the project's compensation that will be provided to the project's CDG Satellites in aggregate. The CDG Savings Rate shall not be less than 5% for any CDG project. The CDG Savings Rate will apply equally to all the CDG Satellites of a CDG Project, except for an Anchor Satellite as defined herein, if applicable, as specified in (4) below.

The CDG Host may continue to modify its CDG Allocation Request Form once per CDG Host billing cycle pursuant to this Section. Additionally, the CDG Host may modify its CDG Savings Rate or Anchor Satellite no less than thirty days prior to the CDG Host account's billing date to which the modifications apply.

CDG Hosts may remove a CDG project from the CDG Net Crediting Program with 30-day notice by indicating un-enrollment on an updated CDG Allocation Request Form. A CDG project that has been previously removed from the CDG Net Crediting Program may re-enroll following at least one year from when they were removed and will be subject to the additional timing provisions of enrollment as specified above.

An existing Volumetric Net Crediting project that subsequently elects to opt-in to Value Stack Net Crediting must forfeit any remaining kWh credits banked on the Host account at the time such project begins Value Stack compensation.

2. Determination of CDG Satellite's Net Member Credits for Value Stack CDG projects

The Company will calculate and apply a Net Member Credit to each participating CDG Satellite's current electric charges based on the CDG project's net injections and associated Value Stack Compensation for each applicable billing period.

46. COMMUNITY DISTRIBUTED GENERATION (Cont'd)

CDG Net Crediting Program (Cont'd)

2. Determination of CDG Satellite's Net Member Credits for Value Stack CDG projects (Cont'd)

Net Member Credits for each CDG Satellite shall be determined as the CDG Savings Rate multiplied by the minimum of i) the total available credit or ii) the CDG Satellite's current electric charges for the applicable billing period. The total available credit shall be determined as the sum of i) the CDG project's Value Stack Compensation for the applicable billing period, multiplied by the CDG Satellite's Allocation Percentage, and ii) any retained credits that have been banked to the CDG Satellite's account. Any remainder of the total available credit that has not been used to credit the Satellite's current electric utility bill for the applicable billing period will be retained/banked on the CDG Satellite's account for future use. All provisions of this General Information Section related to banked credits shall be extended to CDG Net Crediting projects.

3. Determination of CDG Satellite's Net Member Credits for Volumetric CDG Projects

The Company will calculate and apply a Net Member Credit to each participating CDG Satellite's current electric charges based on the CDG project's net injections each applicable billing period.

Net Member Credits for each CDG Satellite shall be determined as the CDG Savings Rate multiplied by the CDG Satellite's Calculated Credits. The Calculated Credits for each participating CDG Satellite will be determined as the Net Meter Adjustment Factor multiplied by the minimum of i) the Total Available Volumetric Credit and ii) the CDG Satellite's total electric kWh usage for the applicable billing period.

The Net Meter Adjustment Factor is the sum of all volumetric kWh rates associated with the CDG Satellite's current electric bill at the applicable rates specified in the Customer's applicable Service Classification, including energy delivery rates, delivery surcharges and, electric supply rates, net of taxes.

The Total Available Volumetric Credit for each volumetric CDG Satellite shall be determined as the sum of i) the CDG Host's total kWh injections for the applicable billing period, multiplied by the CDG Satellite's allocation percentage, as described in this section, and ii) any retained volumetric credits that have been banked or re-allocated to the CDG Satellite's account.

Any remaining Total Available kWh Volumetric Credit that has not been used to credit the CDG Satellite's current electric charges for the applicable billing period will be banked on the CDG Satellite's account for future use. All provisions of the CDG program relating the banked credits shall be extended to Volumetric CDG Net Crediting projects.

4. Determination of CDG Host Payment

The "CDG Host Payment", which is defined as the payment from Central Hudson to the CDG Host, will be determined as the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable period less the Utility Administrative Fee. The CDG Subscription Fee will be determined for each CDG Satellite as the minimum of i) the total Available Credit or ii) the CDG Satellite's current electric utility bill for the applicable billing period; less the Net Member Credit. The Utility Administrative Fee will be determined as the product of i) the Net Crediting Discount Rate and ii) the minimum of a) the total available credit or b) the CDG Satellite's current electric utility bill. The Net Credit Discount Rate is 1% of the CDG project's Value Stack Compensation for the applicable billing period and will be retained by the Company to support implementation and ongoing costs of the program.

46. COMMUNITY DISTRIBUTED GENERATION (Cont'd)

CDG Net Crediting Program (Cont'd)

4. Determination of CDG Host Payment (Cont'd)

The Company will calculate the CDG Host Payment each month and remit to the CDG Host as a separate payment from the CDG Host bill following distribution of the New Member Crediting to the CDG Satellites for the applicable billing period. The CDG Host will provide the necessary payment information in the CDG Sponsor Net Crediting Agreement.

5. Anchor Satellite

The CDG Host may choose to designate one CDG Satellite to be an Anchor Satellite. The Anchor Satellite may not be a mass market customer. The selection of an Anchor Satellite must be made on the CDG Allocation Request Form at least 30 days prior to the crediting as an Anchor Satellite. The Anchor Satellite will be assigned a CDG Savings Rate of 100% for purposes of determining the Net Member Credit in the calculations defined in (2 or 3) above. The CDG Host and the Anchor Satellite may make their own agreements for any further payments between Anchor Satellite and CDG Host.

6. Unallocated Credits

In the event the sum of the CDG Satellites' allocation percentages, including the Anchor Satellite, if applicable, for a CDG Net Crediting project are less than 100% in any applicable billing period, the difference will be the Unallocated Satellite Percentage. For Value Stack CDG Net Crediting Projects, the Unallocated Satellite Percentage will be multiplied by the CDG Net Crediting project's Value Stack Compensation for the applicable billing period, excluding any Community Credits, to determine the Unallocated Credits. The Unallocated Credits will be added to the current retained/banked credits on the CDG Host account for future redistribution to the CDG Satellites. For Volumetric CDG Net Crediting projects, the Unallocated Satellite Percentage will be multiplied by the CDG project's total net injections for the applicable billing period to determine the Unallocated Credits. The Unallocated Credits will be added to the retained kWh credits on the CDG Host account for future distribution to CDG Satellites.

PSC NO: 15 ELECTRICITY
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION
INITIAL EFFECTIVE DATE:

LEAF: 163.10.3
REVISION:
SUPERSEDING REVISION:

49. REMOTE CREDITING (Cont'd)

Service Termination/Account Closure:

Upon Remote Crediting Satellite account closure, all credits must be transferred back to the Remote Crediting Host Account. When a Remote Crediting Satellite terminates its subscription with a Remote Crediting Host, as indicated on the monthly allocation form, any remaining banked credits in the Satellite's bank will be transferred to the Remote Crediting Host Account's bank.

In the event a Remote Crediting Host Account is closed, the Host will forfeit any Value Stack credit that remains in the Host bank after being applied to the Remote Crediting Host Account's final bill and each Satellite's current electric charges.

Assignment of project ownership within the same Remote Crediting compensation mechanism, does not constitute a Remote Crediting Host Account Closure. The assignor's banked credits will not be forfeited, and the Company will transfer banked credits to the new account under the assignee. Remote Crediting Satellite banked credits will be transferred to new Remote Crediting Host Account for future allocation to Remote Crediting Satellites by the assignee. Any Remote Crediting project that completed a Consent to Assignment within the Remote Crediting program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

Issued by: Joseph Hally, Vice President, Poughkeepsie, New York

46. COMMUNITY DISTRIBUTED GENERATION (Cont'd)

Service Termination/Account Closure (Cont'd):

Assignment of Ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits will not be forfeited and the Company will transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits will be transferred to new CDG Host Account for future allocation to CDG Satellites by assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

Upon CDG Satellite account closure, all credits must be transferred back to the CDG Host Account. When a CDG Satellite terminates its subscription with a CDG Host, as indicated on the monthly allocation form, any remaining banked credits in the CDG Satellite Account's bank will be transferred to the CDG Host Account's bank. Once remaining credits have been transferred to the CDG Host, the Company shall not be responsible for any additional refunds or credits owed to the CDG Satellite Account for that CDG project. A CDG Satellite that has been removed from a CDG project but continues to maintain an active utility account may not subscribe to a new CDG project until the billing period after which all banked credits are returned to the previous CDG Host's bank.

Switching from CDG to Remote Crediting:

Interconnected CDG projects, whether Value Stack, or Net Crediting, may make a one-time, irrevocable election to switch from the CDG program into the Remote Crediting program as described herein. Upon switching such projects shall be subject to the Remote Crediting rules as described in General Information Section 49. Net Crediting CDG projects opting to switch to Remote Crediting will no longer be eligible for Net Crediting.

1. A CDG Host compensated via the Value Stack opting to switch to Remote Crediting shall provide the Company with notice of its intent to switch programs and submit completed switching certifications and CDG/Remote Crediting allocation forms within 60 days of a new project's first account billing date or within 45 days of the existing project's last Host account billing date.
2. Within 5 business days of receiving both forms described in Step 1 the Company shall review the switching certification and new host allocation forms and notify the Host of any rejected accounts and the reason for the rejection via electronic mail. In the case of rejected accounts the Host shall either submit a revised Host allocation form or confirm that the Company should move forward with the original allocation form with the rejected accounts removed, via electronic mail within five days of notification by the Company.
3. The Company shall conduct the last Host Account meter reading under the CDG program and allocate the final credits to the subscriber accounts on the most recently approved CDG allocation form for the project. Any excess Value Stack credits that are unallocated shall be added to the Host bank for future allocation.
4. The Company shall transfer any remaining banked subscriber credits to the CDG Host bank. The remaining banked credits for each subscriber will be calculated after the final utility bill that includes a CDG allocation is issued for the subscriber.
5. The Company shall provide the project Host with a final summary report.
6. The Company shall conduct the first Host Account meter reading under the Remote Crediting program and begin allocations to satellite accounts. Any unallocated or banked credits transferred to the CDG Host Bank, as described in steps three and four, shall be available for allocation by the Host Account to satellite accounts immediately, subsequent to the completion of both steps five and six.

Value Stack CDG projects that opt into Remote Crediting will retain the same Value Stack eligibility date as well as any Value Stack component rates locked in at the time of Eligibility.

PSC NO: 15 ELECTRICITY
COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

LEAF: 163.7.2.1
REVISION:

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INITIAL EFFECTIVE DATE: 9/01/22

____ SUPERSEDING REVISION:

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~~Issued in Compliance with Order in Case 15-E-0751 dated July 14, 2022~~

~~All projects opting into Remote Crediting will have a term limit based on the Value Stack compensation methodology as specified in General Information 49, and the start date of such term limit will be based on the project's original interconnection date.~~

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INITIAL EFFECTIVE DATE: 10/01/20

SUPERSEDING REVISION: 0

~~Issued in Compliance with Order in Case 19-M-0463 dated December 12, 2019~~

46. COMMUNITY DISTRIBUTED GENERATION (Cont'd)

CDG Net Crediting Program

~~Customers-Value Stack CDG projects~~ who meet the requirements specified above for a CDG Host or CDG Satellite may participate in the CDG Net Crediting Program commencing on March 1, 2021. ~~—Volumetric CDG projects, defined as CDG projects that allocate kWh to CDG Satellites, who meet the requirements specified above may participate in the CDG Net Crediting Program.~~ The CDG Net Crediting Program provides for an alternate payment and crediting methodology for CDG Hosts and CDG Satellites that eliminates a separate participation payment from the CDG Satellite to the CDG Host. The Company will facilitate crediting the CDG Satellite's bills, collecting the CDG Subscription Fees and paying the CDG Host based on ~~the value of~~ Value Stack credits as calculated for the CDG project's net injections pursuant to General Information Section 48.B. and as further described below.

1. Enrollment

~~CDG projects participating in the CDG Net Crediting Program must meet all the requirements and follow the provisions provided within this Section.~~

The CDG Host must enroll by indicating their participation in the program by executing a CDG Sponsor Net Crediting Agreement with the Company, at least 60 days for new projects and 30 days for existing projects, prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under the CDG program as defined in this Section. Value Stack CDG Hosts electing to participate commencing March 1, 2021 must enroll by January 1, 2021 for new projects and January 30, 2021 for existing projects.

The CDG Host enrollment information as specified on the CDG Allocation Request Form must include the "CDG Savings Rate" for the project, which is defined as the percentage (set in increments of a whole percentage) of the project's ~~Value Stack~~ Compensation that will be provided to the project's CDG Satellites in aggregate. The CDG Savings Rate shall not be less than 5% for any CDG project. The CDG Savings Rate will apply equally to all the CDG Satellites of a CDG Project, except for an Anchor Satellite as defined herein, if applicable, as specified in (4) below.

The CDG Host may continue to modify its CDG Allocation Request Form once per CDG Host billing cycle pursuant to this Section. Additionally, the CDG Host may modify its CDG Savings Rate or Anchor Satellite no less than thirty days prior to the CDG Host account's billing date to which the modifications apply.

CDG Hosts may remove a CDG project from the CDG Net Crediting Program with 30-day notice by indicating un-enrollment on an updated CDG Allocation Request Form. A CDG project that has been previously removed from the CDG Net Crediting Program may re-enroll following at least one year from when they were removed and will be subject to the additional timing provisions of enrollment as specified above.

An existing Volumetric Net Crediting project that subsequently elects to opt-in to Value Stack Net Crediting must forfeit any remaining kWh credits banked on the Host account at the time such project begins Value Stack compensation.

2. Determination of CDG Satellite's Net Member Credits for Value Stack CDG projects

The Company will calculate and apply a Net Member Credit to each participating CDG Satellite's current electric charges based on the CDG project's net injections and associated Value Stack Compensation for each applicable billing period.

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~~Net Member Credits shall be determined as the CDG Savings Rate multiplied by the minimum of i) the total available credit or ii) the CDG Satellite's current electric charges for the applicable billing period. The total available credit shall be determined as the sum of i) the CDG project's Value Stack Compensation for the applicable billing period, multiplied by the CDG Satellite's Allocation Percentage; and ii) any retained credits that have been banked to the CDG Satellite's account.~~

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46. COMMUNITY DISTRIBUTED GENERATION (Cont'd)

CDG Net Crediting Program—Value Stack (Cont'd)

2. Determination of CDG Satellite's Net Member Credits for Value Stack CDG projects (Cont'd)

Net Member Credits for each CDG Satellite shall be determined as the CDG Savings Rate multiplied by the minimum of i) the total available credit or ii) the CDG Satellite's current electric charges for the applicable billing period. The total available credit shall be determined as the sum of i) the CDG project's Value Stack Compensation for the applicable billing period, multiplied by the CDG Satellite's Allocation Percentage, and ii) any retained credits that have been banked to the CDG Satellite's account.

Any remainder of the total available credit that has not been used to credit the Satellite's current electric utility bill for the applicable billing period will be retained/banked on the CDG Satellite's account for future use. All provisions of this General Information Section related to banked credits shall be extended to CDG Net Crediting projects.

3. Determination of CDG Satellite's Net Member Credits for Volumetric CDG Projects

The Company will calculate and apply a Net Member Credit to each participating CDG Satellite's current electric charges based on the CDG project's net injections each applicable billing period.

Net Member Credits for each CDG Satellite shall be determined as the CDG Savings Rate multiplied by the CDG Satellite's Calculated Credits. The Calculated Credits for each participating CDG Satellite will be determined as the Net Meter Adjustment Factor multiplied by the minimum of i) the Total Available Volumetric Credit and ii) the CDG Satellite's total electric kWh usage for the applicable billing period.

The Net Meter Adjustment Factor is the sum of all volumetric kWh rates associated with the CDG Satellite's current electric bill at the applicable rates specified in the Customer's applicable Service Classification, including energy delivery distribution rates, delivery surcharges and, electric supply rates, net of taxes.

The Total Available Volumetric Credit for each volumetric CDG Satellite shall be determined as the sum of i) the CDG Host's total kWh injections for the applicable billing period, multiplied by the CDG Satellite's allocation percentage, as described in this section, and ii) any retained volumetric credits that have been banked or re-allocated to the CDG Satellite's account.

Any remaining Total Available kWh Volumetric Credit that has not been used to credit the CDG Satellite's current electric charges for the applicable billing period will be banked on the CDG Satellite's account for future use. All provisions of the CDG program relating the banked credits shall be extended to Volumetric CDG Net Crediting projects.

3.4. Determination of CDG Host Payment

The "CDG Host Payment", which is defined as the payment from Central Hudson to the CDG Host, will be determined as the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable period less the Utility Administrative Fee. The CDG Subscription Fee will be determined for each CDG Satellite as the minimum of i) the total Available Credit or ii) the CDG Satellite's current electric utility bill for the applicable billing period; less the Net Member Credit. The Utility Administrative Fee will be determined as the product of i) the Net Crediting Discount Rate and ii) the minimum of a) the total available credit or b) the CDG Satellite's current electric utility bill. The Net Credit Discount Rate is 1% of the CDG project's Value Stack Compensation for the applicable billing period and will be retained by the Company to support implementation and ongoing costs of the program.

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~~The Company will calculate the CDG Host Payment each month and remit to the CDG Host as a separate payment from the CDG Host bill following distribution of the Net Member Credits to the CDG Satellites for the applicable billing period. The CDG Host will provide the necessary payment information in the CDG Sponsor Net Crediting Agreement.~~

~~4. Anchor Satellite~~

~~The CDG Host may choose to designate one CDG Satellite to be an Anchor Satellite. The Anchor Satellite may not be a mass market customer. The selection of an Anchor Satellite must be made on the CDG Allocation Request Form at least 30 days prior to the crediting as an Anchor Satellite. The Anchor Satellite will be assigned a CDG Savings Rate of 100% for purposes of determining the Net Member Credit in the calculations defined in (2) above. The CDG Host and the Anchor Satellite may make their own agreements for any further payments between Anchor Satellite and CDG Host.~~

~~5. Unallocated Credits~~

~~In the event the sum of the CDG Satellites' allocation percentages, including the Anchor Satellite, if applicable, for a CDG project are less than 100% in any applicable billing period, the difference will be the Unallocated Satellite Percentage. The Unallocated Satellite Percentage will be multiplied by the CDG project's Value Stack Compensation for the applicable billing period, excluding any Community Credits to determine the Unallocated Credits. The Unallocated Credits will be added to the current retained/banked credits on the CDG Host account for future redistribution to the CDG Satellites.~~

46. COMMUNITY DISTRIBUTED GENERATION (Cont'd)

CDG Net Crediting Program (Cont'd)

4. Determination of CDG Host Payment (Cont'd)

The Company will calculate the CDG Host Payment each month and remit to the CDG Host as a separate payment from the CDG Host bill following distribution of the New Member Crediting to the CDG Satellites for the applicable billing period. The CDG Host will provide the necessary payment information in the CDG Sponsor Net Crediting Agreement.

5. Anchor Satellite

The CDG Host may choose to designate one CDG Satellite to be an Anchor Satellite. The Anchor Satellite may not be a mass market customer. The selection of an Anchor Satellite must be made on the CDG Allocation Request Form at least 30 days prior to the crediting as an Anchor Satellite. The Anchor Satellite will be assigned a CDG Savings Rate of 100% for purposes of determining the Net Member Credit in the calculations defined in (2 or 3) above. The CDG Host and the Anchor Satellite may make their own agreements for any further payments between Anchor Satellite and CDG Host.

6. Unallocated Credits

In the event the sum of the CDG Satellites' allocation percentages, including the Anchor Satellite, if applicable, for a CDG Net Crediting project are less than 100% in any applicable billing period, the difference will be the Unallocated Satellite Percentage. For Value Stack CDG Net Crediting Projects, the Unallocated Satellite Percentage will be multiplied by the CDG Net Crediting project's Value Stack Compensation for the applicable billing period, excluding any Community Credits, to determine the Unallocated Credits. The Unallocated Credits will be added to the current retained/banked credits on the CDG Host account for future redistribution to the CDG Satellites. For Volumetric CDG Net Crediting projects, the Unallocated Satellite Percentage will be multiplied by the CDG project's total net injections for the applicable billing period to determine the Unallocated Credits. The Unallocated Credits will be added to the retained kWh credits on the CDG Host account for future distribution to CDG Satellites.

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49. REMOTE CREDITING (Cont'd)

Service Termination/Account Closure:

Upon Remote Crediting Satellite account closure, all credits must be transferred back to the Remote Crediting Host Account. When a Remote Crediting Satellite terminates its subscription with a Remote Crediting Host, as indicated on the monthly allocation form, any remaining banked credits in the Satellite's bank will be transferred to the Remote Crediting Host Account's bank.

In the event a Remote Crediting Host Account is closed, the Host will forfeit any Value Stack credit that remains in the Host bank after being applied to the Remote Crediting Host Account's final bill and each Satellite's current electric charges.

Assignment of project ownership within the same Remote Crediting compensation mechanism, does not constitute a Remote Crediting Host Account Closure. The assignor's banked credits will not be forfeited, and the Company will transfer banked credits to the new account under the assignee. Remote Crediting Satellite banked credits will be transferred to new Remote Crediting Host Account for future allocation to Remote Crediting Satellites by the assignee. Any Remote Crediting project that completed a Consent to Assignment within the Remote Crediting program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

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GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation – Continued

2. Remote Crediting – Continued

- h. RC Satellite Accounts are not permitted to participate in RNM, CDG or be an RC Host Account. RC Host Accounts are not permitted to participate as an RC Satellite Account in another RC project or as an RNM Satellite Account.
- i. In-service CDG projects, whether volumetric, monetary, Value Stack, or Net Crediting, are eligible to opt into RC and vice versa subject to the rules set forth in Section F.4. of this Section and in the Commission's July 14, 2022 *Order Approving Remote Crediting Banking Rules and Addressing Switching Between Community Distributed Generation and Remote Crediting Programs*, in Case 15-E- 0751.
- j. Transfer of Ownership within the same Remote Crediting compensation mechanism does not constitute a Remote Crediting Host Account Closure. The Remote Crediting Host's banked credits will not be forfeited, and the Company will transfer banked credits to the new account under the new owner. Remote Crediting Satellite banked credits will be transferred to new Remote Crediting Host Account for future allocation to Remote Crediting Satellites by new owner. Any Remote Crediting project that completed a Transfer of Ownership within the Remote Crediting program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

3. Community Distributed Generation

A "CDG Host" is defined as a non-residential Customer that owns or operates electric generating equipment eligible for net metering or the Value Stack Tariff under this Rider and whose net energy produced by its generating equipment is applied to the accounts of other electric Customers served under this Rate Schedule or under the PASNY Rate Schedule ("CDG Satellites") with which it has a contractual arrangement related to the disposition of net metering credits. A CDG Host served under this Rider with Stand-alone or Hybrid Electric Energy Storage shall take service under the Value Stack Tariff.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

b. Requirements of CDG Hosts – Continued

Transfer of Ownership within the same CDG compensation mechanism does not constitute a CDG Host Account Closure. The CDG Host's banked credits will not be forfeited, and the Company will transfer CDG Host banked credits to the new account under the new owner. CDG Satellite banked credits will be transferred to new CDG Host Account for future allocation to CDG Satellites by new owner. Any CDG project that completed a Transfer of Ownership within the CDG program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

c. Allocations of Generators' Output - Continued

(iv) Annual CDG Host Banked Credit Allocation - Continued

The CDG Host Account may retain, for up to two years, measured from the end of an annual period in which credits were added to the CDG Host Banked Credit, any undistributed credit that remains after the Annual Credit or Annual Value Stack CDG Credit is distributed to the CDG Satellite Accounts, provided that the CDG Host, in its instructions for allocating the Annual Credit or Annual Value Stack CDG Credit, allocated credits to each CDG Satellite Account equal to no less than the CDG Satellite Account's total kWhr usage in the final month of the annual period, if the CDG Host Account is billed under Grandfathered Net Metering or Phase One NEM for energy-only, or no less than the CDG Satellite Account's monthly electric charges in the final month of the annual period, if the CDG Host Account is demand-billed or served under the Value Stack Tariff. At the end of the two-year period, the CDG Host Account will forfeit credits (i.e., (1) kWhr credits if the CDG Host Account is billed under Grandfathered Net Metering or Phase One NEM for energy-only; or (2) monetary credits if the CDG Host Account is demand-billed or served under the Value Stack Tariff) equal to the smallest number of credits in its account at any point during the two-year period.

d. CDG Net Crediting Program

CDG Hosts either served under the Value Stack Tariff or who allocate volumetric credits to CDG Satellite Accounts can enroll in the CDG Net Crediting Program under this Rider in conformance with the CDG Net Crediting Manual and by executing a CDG Net Crediting Agreement with the Company, at least 60 days prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under this Rider and the Net Crediting Manual. Applications from CDG Hosts served under the Value Stack Tariff for the CDG Net Crediting Program will be accepted by the Company commencing on April 1, 2021. Applications from CDG Hosts that allocate volumetric credits to CDG Satellite Accounts will be accepted by the Company commencing on January 1, 2025.

The CDG Host enrollment information includes the CDG Savings Rate for the project, which is the percentage of the ~~Value Stack~~ compensation applied to the project's CDG Satellite accounts, excluding an Anchor Satellite, if applicable. The CDG Savings Rate may not be less than five percent and may not exceed 100 percent less the Utility Administrative Fee, as specified in paragraph 3.d.(iii) of Section F of this Rider.

The CDG Savings Rate will be applicable to all CDG Satellites designated by the CDG Host pursuant to paragraph 3.c of Section F of this Rider, except for an Anchor Satellite, if applicable, as specified in paragraph 3.d.(iv) of Section F under this Rider.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

d. CDG Net Crediting Program - Continued

The CDG Host will provide the Company the percentage of the CDG Host's net energy output to be allocated to each CDG Satellite pursuant to paragraph F.3.c. A CDG Host's enrollment in the CDG Net Crediting Program represents the enrollment of all its CDG Satellites except for an Anchor Satellite, if applicable. The CDG Host may modify its CDG Savings Rate in accordance with the CDG Net Crediting Manual no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.

CDG Hosts will be required to follow the requirements provided in the Company's CDG Net Crediting Manual, which may be modified from time to time.

As described below, the Company will facilitate crediting the CDG Satellite's bills and retaining, from the same CDG Satellites, CDG Subscription Fees (from which the Company will pay the CDG Host), resulting in Net Member Credits to the CDG Satellites.

(i) Determination of CDG Satellite's Net Member Credits [for Value Stack CDG Projects](#)

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's bill based on the CDG Host's net injections and associated Value Stack Compensation, as determined in accordance with Section H under this Rider for each applicable billing period, with modifications as follows. Net Member Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credit, which is defined as the minimum of:

(1) the Total Available Credit, determined as the sum of (a) the CDG Host's Value Stack Compensation for the applicable billing period as calculated in conformance with Section H under this Rider, allocated by the CDG Host to the CDG Satellite in accordance with the CDG Satellite's Allocation Percentage; (b) any Value Stack credits that have been carried forward from CDG Satellite's preceding billing periods, pursuant to paragraph 4.h.(iii) of Section H of this Rider; and (c) any Value Stack credits allocated from a CDG Host's Banked Monetary Credit (pursuant to paragraph 3.c of section F of this Rider); and

(2) the CDG Satellite's current electric bill for the applicable billing period.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

d. CDG Net Crediting Program - Continued

(i) Determination of CDG Satellite's Net Member Credits [for Value Stack CDG Projects](#) - Continued

If the Total Available Credit exceeds the CDG Satellite's current electric bill for the applicable billing period, the amount above the CDG Satellite's current electric bill will be banked on the CDG Satellite's account for use in the CDG Satellite's subsequent billing month's Total Available Credit. All provisions relating to the CDG Host Banked Credit relating to any credits that have been carried forward from a CDG Satellite's preceding billing periods pursuant to paragraph 4.h.(iii) of Section H of this Rider shall be extended to CDG Net Crediting projects.

The CDG Host and CDG Satellite may make their own agreements for any further payments between the CDG Satellite and the CDG Host, provided the Satellite is not a Mass Market Customer.

(ii) [Determination of CDG Satellite's Net Member Credits for Volumetric CDG Projects](#)

[The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's bill based on the CDG Host's net injections for each applicable billing period, with modifications as follows.](#)

[Net Member Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credits defined as the difference between \(1\) the Satellite's electric bill amount due based on billed kWh and \(2\) the Satellite's electric bill amount due calculated with the CDG applied kWh.](#)

[The Net Meter Adjustment Factor is the sum of all volumetric kWh rates associated with the CDG Satellite's electric utility bill during the applicable billing period, net of taxes.](#)

[The Total Available Volumetric Credit for each volumetric CDG Satellite shall be determined as the sum of \(i\) the CDG Host's total kWh injections for the applicable billing period, multiplied by the CDG Satellite's allocation percentage, as described in Section F.3.c. of this Rider; and \(ii\) any retained volumetric credits that have been banked or re-allocated to the CDG Satellite's account.](#)

[Any remaining Total Available kWh Volumetric Credit that has not been used to credit the CDG Satellite's current electric utility bill for the applicable billing period will be banked on the CDG Satellite's account for future use. All provisions of the CDG program relating to banked credits shall be extended to Volumetric CDG Net Crediting projects.](#)

GENERAL RULES

25. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

d. CDG Net Crediting Program - Continued

(iii) Determination of CDG Host Payment

The Company will calculate the CDG Host Payment each month and remit it to the CDG Host as a payment in the month following distribution of the Net Member Credits to the CDG Satellites. The CDG Host and the Company will follow the terms of the CDG Net Crediting Agreement and CDG Net Crediting Manual.

The CDG Host Payment will be the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable period less the Utility Administrative Fee. The CDG Subscription Fee for each CDG Satellite will be determined by subtracting the Net Member Credit from the Applied Credit. The Utility Administrative Fee is a percentage of the sum of the CDG Subscription Fees and Net Member Credits, as determined in accordance with sections (i) and (ii) above, for the applicable billing period. The Utility Administrative Fee will be retained by the Company to support implementation and operation costs of the program. The Utility Administrative Fee percentage will be set forth on the Value Stack Credits Statement.

(iv) Unenrollment

CDG Hosts may unenroll from the CDG Net Crediting Program with 30 days' notice, in a manner pursuant to the CDG Net Crediting Manual. A CDG Host that has previously unenrolled from the CDG Net Crediting Program may re-enroll after at least 12 months from when they were removed.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

d. CDG Net Crediting Program - Continued

(iv) Anchor Satellite

The CDG Host may choose to designate one large CDG Satellite to be an Anchor Satellite. The selection of an Anchor Satellite must be made pursuant to the CDG Net Crediting Manual. The Anchor Satellite will be subject to the crediting rules for CDG Satellites as outlined in Sections [G.2.c](#) and Section H.4.h of this Rider.

4. Switching Between Community Distributed Generation and Remote Crediting

A customer that is a CDG Host Account or RC Host Account shall be provided a one-time irrevocable option to switch from the CDG Program (including Net Crediting) to the RC Program, or vice-versa. Such CDG Host Account or RC Host Account shall provide the Company with notice of its intent to switch programs and submit a completed switching certification form within at least 60 calendar days of the new project's first account billing date or within 45 calendar days of the existing project's last Host Account billing date. The switching certification must affirm that all of the project's Satellite Accounts have been notified of program changes and that the Host has notified NYSERDA of its intent to switch from CDG to Remote Crediting or vice versa. Within five business days, the Company will review the switching certification and new Host Account allocation forms and notify the Host Account via electronic mail of any rejected accounts and the reason for the rejection. The Host Account shall respond via electronic mail and notify the Company of the notification receipt date for the record. In the case of rejected accounts, within five calendar days of notification, the Host Account shall either resubmit a revised Host Account allocation form or confirm that the Company should move forward with the original allocation form with the rejected accounts removed, via electronic mail. Additional rules for the six-step process to switch as a Host Account from a CDG Program to an RC Program, or vice versa, are addressed in the Commission's July 14, 2022 *Order Approving Remote Crediting Banking Rules and Addressing Switching Between Community Distributed Generation and Remote Crediting Programs*, in Case 15-E-0751.

Projects that choose to switch from one Value Stack program to another Value Stack program will keep the same rates that were locked in on the project's eligibility date, and all project elections will carry forward. Projects switching from a non-Value Stack program into a Value Stack program will lock in eligibility date-specific rates on the date that the Company is notified, in the same manner as above, of the project's intent to switch programs.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation – Continued

2. Remote Crediting – Continued

- h. RC Satellite Accounts are not permitted to participate in RNM, CDG or be an RC Host Account. RC Host Accounts are not permitted to participate as an RC Satellite Account in another RC project or as an RNM Satellite Account.
- i. In-service CDG projects, whether volumetric, monetary, Value Stack, or Net Crediting, are eligible to opt into RC and vice versa subject to the rules set forth in Section F.4. of this Section and in the Commission's July 14, 2022 *Order Approving Remote Crediting Banking Rules and Addressing Switching Between Community Distributed Generation and Remote Crediting Programs*, in Case 15-E- 0751.
- j. Transfer of Ownership within the same Remote Crediting compensation mechanism does not constitute a Remote Crediting Host Account Closure. The Remote Crediting Host's banked credits will not be forfeited, and the Company will transfer banked credits to the new account under the new owner. Remote Crediting Satellite banked credits will be transferred to new Remote Crediting Host Account for future allocation to Remote Crediting Satellites by new owner. Any Remote Crediting project that completed a Transfer of Ownership within the Remote Crediting program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

3. Community Distributed Generation

A "CDG Host" is defined as a non-residential Customer that owns or operates electric generating equipment eligible for net metering or the Value Stack Tariff under this Rider and whose net energy produced by its generating equipment is applied to the accounts of other electric Customers served under this Rate Schedule or under the PASNY Rate Schedule ("CDG Satellites") with which it has a contractual arrangement related to the disposition of net metering credits. A CDG Host served under this Rider with Stand-alone or Hybrid Electric Energy Storage shall take service under the Value Stack Tariff.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

b. Requirements of CDG Hosts – Continued

Transfer of Ownership within the same CDG compensation mechanism does not constitute a CDG Host Account Closure. The CDG Host's banked credits will not be forfeited, and the Company will transfer CDG Host banked credits to the new account under the new owner. CDG Satellite banked credits will be transferred to new CDG Host Account for future allocation to CDG Satellites by new owner. Any CDG project that completed a Transfer of Ownership within the CDG program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

c. Allocations of Generators' Output - Continued

(iv) Annual CDG Host Banked Credit Allocation -Continued

The CDG Host Account may retain, for up to two years, measured from the end of an annual period in which credits were added to the CDG Host Banked Credit, any undistributed credit that remains after the Annual Credit or Annual Value Stack CDG Credit is distributed to the CDG Satellite Accounts, provided that the CDG Host, in its instructions for allocating the Annual Credit or Annual Value Stack CDG Credit, allocated credits to each CDG Satellite Account equal to no less than the CDG Satellite Account's total kWhr usage in the final month of the annual period, if the CDG Host Account is billed under Grandfathered Net Metering or Phase One NEM for energy-only, or no less than the CDG Satellite Account's monthly electric charges in the final month of the annual period, if the CDG Host Account is demand-billed or served under the Value Stack Tariff. At the end of the two-year period, the CDG Host Account will forfeit credits (*i.e.*, (1) kWhr credits if the CDG Host Account is billed under Grandfathered Net Metering or Phase One NEM for energy-only; or (2) monetary credits if the CDG Host Account is demand-billed or served under the Value Stack Tariff) equal to the smallest number of credits in its account at any point during the two-year period.

d. CDG Net Crediting Program

CDG Hosts either served under the Value Stack Tariff or who allocate volumetric credits to CDG Satellite Accounts can enroll in the CDG Net Crediting Program under this Rider in conformance with the CDG Net Crediting Manual and by executing a CDG Net Crediting Agreement with the Company, at least 60 days prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under this Rider and the Net Crediting Manual. Applications from CDG Hosts served under the Value Stack Tariff for the CDG Net Crediting Program will be accepted by the Company commencing on April 1, 2021. Applications from CDG Hosts that allocate volumetric credits to CDG Satellite Accounts will be accepted by the Company commencing on January 1, 2025.

The CDG Host enrollment information includes the CDG Savings Rate for the project, which is the percentage of the compensation applied to the project's CDG Satellite accounts, excluding an Anchor Satellite, if applicable. The CDG Savings Rate may not be less than five percent and may not exceed 100 percent less the Utility Administrative Fee, as specified in paragraph 3.d.(iii) of Section F of this Rider.

The CDG Savings Rate will be applicable to all CDG Satellites designated by the CDG Host pursuant to paragraph 3.c of Section F of this Rider, except for an Anchor Satellite, if applicable, as specified in paragraph 3.d.(v) of Section F under this Rider.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

d. CDG Net Crediting Program - Continued

The CDG Host will provide the Company the percentage of the CDG Host's net energy output to be allocated to each CDG Satellite pursuant to paragraph F.3.c. A CDG Host's enrollment in the CDG Net Crediting Program represents the enrollment of all its CDG Satellites except for an Anchor Satellite, if applicable. The CDG Host may modify its CDG Savings Rate in accordance with the CDG Net Crediting Manual no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.

CDG Hosts will be required to follow the requirements provided in the Company's CDG Net Crediting Manual, which may be modified from time to time.

As described below, the Company will facilitate crediting the CDG Satellite's bills and retaining, from the same CDG Satellites, CDG Subscription Fees (from which the Company will pay the CDG Host), resulting in Net Member Credits to the CDG Satellites.

(i) Determination of CDG Satellite's Net Member Credits for Value Stack CDG Projects

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's bill based on the CDG Host's net injections and associated Value Stack Compensation, as determined in accordance with Section H under this Rider for each applicable billing period, with modifications as follows. Net Member Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credit, which is defined as the minimum of:

(1) the Total Available Credit, determined as the sum of (a) the CDG Host's Value Stack Compensation for the applicable billing period as calculated in conformance with Section H under this Rider, allocated by the CDG Host to the CDG Satellite in accordance with the CDG Satellite's Allocation Percentage; (b) any Value Stack credits that have been carried forward from CDG Satellite's preceding billing periods, pursuant to paragraph 4.h.(iii) of Section H of this Rider; and (c) any Value Stack credits allocated from a CDG Host's Banked Monetary Credit (pursuant to paragraph 3.c of section F of this Rider); and

(2) the CDG Satellite's current electric bill for the applicable billing period.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

d. CDG Net Crediting Program - Continued

(i) Determination of CDG Satellite's Net Member Credits for Value Stack CDG Projects - Continued

If the Total Available Credit exceeds the CDG Satellite's current electric bill for the applicable billing period, the amount above the CDG Satellite's current electric bill will be banked on the CDG Satellite's account for use in the CDG Satellite's subsequent billing month's Total Available Credit. All provisions relating to the CDG Host Banked Credit relating to any credits that have been carried forward from a CDG Satellite's preceding billing periods pursuant to paragraph 4.h.(iii) of Section H of this Rider shall be extended to CDG Net Crediting projects.

The CDG Host and CDG Satellite may make their own agreements for any further payments between the CDG Satellite and the CDG Host, provided the Satellite is not a Mass Market Customer.

(ii) Determination of CDG Satellite's Net Member Credits for Volumetric CDG Projects

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's bill based on the CDG Host's net injections for each applicable billing period, with modifications as follows.

Net Member Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credits defined as the difference between (1) the Satellite's electric bill amount due based on billed kWh and (2) the Satellite's electric bill amount due calculated with the CDG applied kWh.

The Net Meter Adjustment Factor is the sum of all volumetric kWh rates associated with the CDG Satellite's electric utility bill during the applicable billing period, net of taxes.

The Total Available Volumetric Credit for each volumetric CDG Satellite shall be determined as the sum of (i) the CDG Host's total kWh injections for the applicable billing period, multiplied by the CDG Satellite's allocation percentage, as described in Section F.3.c. of this Rider; and (ii) any retained volumetric credits that have been banked or re-allocated to the CDG Satellite's account.

Any remaining Total Available kWh Volumetric Credit that has not been used to credit the CDG Satellite's current electric utility bill for the applicable billing period will be banked on the CDG Satellite's account for future use. All provisions of the CDG program relating to banked credits shall be extended to Volumetric CDG Net Crediting projects.

GENERAL RULES

25. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

d. CDG Net Crediting Program - Continued

(iii) Determination of CDG Host Payment

The Company will calculate the CDG Host Payment each month and remit it to the CDG Host as a payment in the month following distribution of the Net Member Credits to the CDG Satellites. The CDG Host and the Company will follow the terms of the CDG Net Crediting Agreement and CDG Net Crediting Manual.

The CDG Host Payment will be the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable period less the Utility Administrative Fee. The CDG Subscription Fee for each CDG Satellite will be determined by subtracting the Net Member Credit from the Applied Credit. The Utility Administrative Fee is a percentage of the sum of the CDG Subscription Fees and Net Member Credits, as determined in accordance with sections (i) and (ii) above, for the applicable billing period. The Utility Administrative Fee will be retained by the Company to support implementation and operation costs of the program. The Utility Administrative Fee percentage will be set forth on the Value Stack Credits Statement.

(iv) Unenrollment

CDG Hosts may unenroll from the CDG Net Crediting Program with 30 days' notice, in a manner pursuant to the CDG Net Crediting Manual. A CDG Host that has previously unenrolled from the CDG Net Crediting Program may re-enroll after at least 12 months from when they were removed.

GENERAL RULES

24. Service Classification Riders (Available on Request) – Continued

RIDER R - Net Metering and Value Stack Tariff for Customer-Generators - Continued

F. Remote Net Metering, Remote Crediting, and Community Distributed Generation - Continued

3. Community Distributed Generation - Continued

d. CDG Net Crediting Program - Continued

(v) Anchor Satellite

The CDG Host may choose to designate one large CDG Satellite to be an Anchor Satellite. The selection of an Anchor Satellite must be made pursuant to the CDG Net Crediting Manual. The Anchor Satellite will be subject to the crediting rules for CDG Satellites as outlined in Sections G.2.c and Section H.4.h of this Rider.

4. Switching Between Community Distributed Generation and Remote Crediting

A customer that is a CDG Host Account or RC Host Account shall be provided a one-time irrevocable option to switch from the CDG Program (including Net Crediting) to the RC Program, or vice-versa. Such CDG Host Account or RC Host Account shall provide the Company with notice of its intent to switch programs and submit a completed switching certification form within at least 60 calendar days of the new project's first account billing date or within 45 calendar days of the existing project's last Host Account billing date. The switching certification must affirm that all of the project's Satellite Accounts have been notified of program changes and that the Host has notified NYSERDA of its intent to switch from CDG to Remote Crediting or vice versa. Within five business days, the Company will review the switching certification and new Host Account allocation forms and notify the Host Account via electronic mail of any rejected accounts and the reason for the rejection. The Host Account shall respond via electronic mail and notify the Company of the notification receipt date for the record. In the case of rejected accounts, within five calendar days of notification, the Host Account shall either resubmit a revised Host Account allocation form or confirm that the Company should move forward with the original allocation form with the rejected accounts removed, via electronic mail. Additional rules for the six-step process to switch as a Host Account from a CDG Program to an RC Program, or vice versa, are addressed in the Commission's July 14, 2022 *Order Approving Remote Crediting Banking Rules and Addressing Switching Between Community Distributed Generation and Remote Crediting Programs*, in Case 15-E-0751.

Projects that choose to switch from one Value Stack program to another Value Stack program will keep the same rates that were locked in on the project's eligibility date, and all project elections will carry forward. Projects switching from a non-Value Stack program into a Value Stack program will lock in eligibility date-specific rates on the date that the Company is notified, in the same manner as above, of the project's intent to switch programs.

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Consolidated Edison Company of New York, Inc.
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PASNY DELIVERY SERVICE

General Provisions - Continued

Net Metering and Value Stack Tariff for PASNY Customer-Generators - Continued

Remote Crediting – Continued:

(k) Transfer of Ownership within the same Remote Crediting compensation mechanism does not constitute a Remote Crediting Host Account Closure. The Remote Crediting Host's banked credits will not be forfeited, and the Company will transfer banked credits to the new account under the new owner. Remote Crediting Satellite banked credits will be transferred to new Remote Crediting Host Account for future allocation to Remote Crediting Satellites by new owner. Any Remote Crediting project that completed a Transfer of Ownership within the Remote Crediting program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

PASNY DELIVERY SERVICE

General Provisions - Continued

Net Metering and Value Stack Tariff for PASNY Customer-Generators – Continued

Community Distribution Generation: - Continued

b. Requirements of CDG Hosts - Continued

The CDG Host must certify to the Company in the format specified in the CDG Program Procedural Requirements, both prior to commencing Value Stack Tariff service under CDG and annually thereafter, that: (1) for all but a Farm Operation CDG Project, its CDG Satellite Accounts with demands of 25 kW or greater receive, in aggregate, no more than 40 percent of the generator's output (as adjusted, if applicable, for dwelling units of CDG Satellite Accounts billed under SC 8 or SC 12 of the Schedule for Electricity or in multi-unit residential buildings served under this Rate Schedule); (2) for a Farm Operation CDG Project, each CDG Satellite Account is either a Farm Operation or the owner or employee of the Farm Operation; and, (3) the CDG Host meets creditworthiness standards and other requirements established by the PSC. The Company may notify the PSC if it becomes aware that a CDG project does not meet one or more of the PSC's requirements or if the CDG Host fails to provide annual certification.

A CDG Host that provides a Customer's name and account number to the Company (and such other information as the Company may require if it is unable to verify the Customer's account based on the information provided), as described in the Company's CDG Program Procedural Requirements, is certifying that it has written authorization from the Customer to request and receive that Customer's historical usage information and, upon enrolling a CDG Satellite Account, that it has entered into a written contract with such Customer. The Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellite, including contractual terms, pricing, dispute resolution, and contract termination.

The Company's CDG Program Procedural Requirements and CDG Net Crediting Manual detail the format and requirements for CDG submissions. Additionally, Addendum – UBP-DERS to the Schedule for Electricity and the Company's CDG Program Procedural Requirements set forth rules governing CDG Hosts. For CDG projects, a distributed generation provider must submit proof to the Company that its project has been registered with Department of Public Service Staff in accordance with the UBP-DERS. A CDG Host may not request termination or suspension of electric service to a CDG Satellite Account.

Service under this provision will terminate if a CDG Host is no longer eligible, if the CDG Host withdraws from CDG participation, or if the Company terminates service to the CDG Host Account. In such cases, the Account Closure provisions outlined in Charges and Credits – Value Stack Tariff paragraph (8) of this provision shall apply.

Transfer of Ownership within the same CDG compensation mechanism does not constitute a CDG Host Account Closure. The CDG Host's banked credits will not be forfeited, and the Company will transfer CDG Host banked credits to the new account under the new owner. CDG Satellite banked credits will be transferred to new CDG Host Account for future allocation to CDG Satellites by new owner. Any CDG project that completed a Transfer of Ownership within the CDG program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

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PASNY DELIVERY SERVICE

General Provisions - Continued

Net Metering and Value Stack Tariff for PASNY Customer-Generators - Continued

Remote Crediting – Continued:

- (k) Transfer of Ownership within the same Remote Crediting compensation mechanism does not constitute a Remote Crediting Host Account Closure. The Remote Crediting Host's banked credits will not be forfeited, and the Company will transfer banked credits to the new account under the new owner. Remote Crediting Satellite banked credits will be transferred to new Remote Crediting Host Account for future allocation to Remote Crediting Satellites by new owner. Any Remote Crediting project that completed a Transfer of Ownership within the Remote Crediting program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

PASNY DELIVERY SERVICE

General Provisions - Continued

Net Metering and Value Stack Tariff for PASNY Customer-Generators – Continued

Community Distribution Generation: - Continued

b. Requirements of CDG Hosts - Continued

The CDG Host must certify to the Company in the format specified in the CDG Program Procedural Requirements, both prior to commencing Value Stack Tariff service under CDG and annually thereafter, that: (1) for all but a Farm Operation CDG Project, its CDG Satellite Accounts with demands of 25 kW or greater receive, in aggregate, no more than 40 percent of the generator's output (as adjusted, if applicable, for dwelling units of CDG Satellite Accounts billed under SC 8 or SC 12 of the Schedule for Electricity or in multi-unit residential buildings served under this Rate Schedule); (2) for a Farm Operation CDG Project, each CDG Satellite Account is either a Farm Operation or the owner or employee of the Farm Operation; and, (3) the CDG Host meets creditworthiness standards and other requirements established by the PSC. The Company may notify the PSC if it becomes aware that a CDG project does not meet one or more of the PSC's requirements or if the CDG Host fails to provide annual certification.

A CDG Host that provides a Customer's name and account number to the Company (and such other information as the Company may require if it is unable to verify the Customer's account based on the information provided), as described in the Company's CDG Program Procedural Requirements, is certifying that it has written authorization from the Customer to request and receive that Customer's historical usage information and, upon enrolling a CDG Satellite Account, that it has entered into a written contract with such Customer. The Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellite, including contractual terms, pricing, dispute resolution, and contract termination.

The Company's CDG Program Procedural Requirements and CDG Net Crediting Manual detail the format and requirements for CDG submissions. Additionally, Addendum – UBP-DERS to the Schedule for Electricity and the Company's CDG Program Procedural Requirements set forth rules governing CDG Hosts. For CDG projects, a distributed generation provider must submit proof to the Company that its project has been registered with Department of Public Service Staff in accordance with the UBP-DERS. A CDG Host may not request termination or suspension of electric service to a CDG Satellite Account.

Service under this provision will terminate if a CDG Host is no longer eligible, if the CDG Host withdraws from CDG participation, or if the Company terminates service to the CDG Host Account. In such cases, the Account Closure provisions outlined in Charges and Credits – Value Stack Tariff paragraph (8) of this provision shall apply.

Transfer of Ownership within the same CDG compensation mechanism does not constitute a CDG Host Account Closure. The CDG Host's banked credits will not be forfeited, and the Company will transfer CDG Host banked credits to the new account under the new owner. CDG Satellite banked credits will be transferred to new CDG Host Account for future allocation to CDG Satellites by new owner. Any CDG project that completed a Transfer of Ownership within the CDG program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION ("CDG") (Continued)

29.3.4 After the completion of the CDG Host's first 12 months of CDG service, the CDG Host must furnish to the Company at least once per calendar year, and as often as -once per CDG Host billing cycle, and with no less than 30 days' notice, written instructions for allocating any excess credits banked to the CDG Host's account. The CDG Host cannot allocate to its own account. No distribution will be made if instructions are not received by the required date. If the Company does not receive the required notification any banked credits on the CDG Host account will be forfeited.

29.3.5 CDG Host Account Closure – The Company requires an actual reading to close an account of a CDG Host. The Company will close an account on the earlier of (a) the first billing cycle date on which a reading is taken following the requested turn off date, or (b) the date of the special reading date, which the CDG Host may request in accordance with Rule 39.14.4. After the final bill is rendered to the CDG Host, any banked credits on the CDG Host account will not be cashed out or transferred. CDG Satellites accounts will no longer receive credits once a CDG Host account is closed and the final bill is rendered for the CDG Host.

29.3.5.1 Assignment of project ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits will not be forfeited, and the Company will transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits will be transferred to the new CDG Host Account for future allocation to CDG Satellites by the assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

29.3.6 CDG Satellite Account Closure

29.3.6.1 When a CDG Satellite's account is closed or cancelled, any remaining banked credits in the CDG Satellite's bank after the final bill will be transferred to the CDG Host's bank.

29.3.6.2 When a CDG Satellite terminates its subscription with a CDG Host, any remaining banked credits in the CDG Satellite's bank after the final bill will be transferred to the CDG Host's bank.

29.3.6.2.1 The Company will rely on the CDG Host's monthly allocation form to verify the CDG Satellite's participation in the CDG Host's project. The Company will transfer any banked credits of the CDG Satellite to the CDG Host when the CDG Satellite's account is no longer included on the CDG Host's allocation form.

29.3.6.2.2 A CDG Satellite that has been removed from a CDG Host project but continues to maintain an active utility account may not subscribe to a new CDG Host or CDG Net Crediting project until the billing period after which all banked credits on the CDG Satellite's account are returned to the previous CDG Host's bank.

29.3.6.3 Any remaining banked credits removed from a CDG Satellite's bank and added to a CDG Host's bank will be returned in full without any reduction for the Market Transition Credit (MTC) or Community Credit (CC). CDG Hosts are permitted to reallocate returned credits among any active CDG Satellites in accordance with Rule 29, with the exception that returned credits may also be reallocated to non-mass market subscribers who are otherwise ineligible to receive the MTC or CC compensation.

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GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION (“CDG”) (Continued)

29.4 CDG Net Crediting Program

Customers who meet the requirements specified in Rule No. 29 ~~and Rule No. 40~~ for a CDG Host or CDG Satellite may participate in the CDG Net Crediting Program as specified in this Rule 29.4. Volumetric CDG projects under net metering, defined as CDG projects that allocate kWh to CDG Satellites per Rule 29.3.2, are also permitted to participate in CDG Net Crediting. The CDG Net Crediting Program provides for an alternate payment and crediting methodology for CDG Hosts and CDG Satellites eliminating a separate participation payment from the CDG Satellite to the CDG Host. The Company will facilitate crediting the CDG Satellite’s bills and pay the CDG Host based on Value Stack credits as calculated in Rule 40 for the value of the CDG project’s net injections and as further provided below. The CDG Host and CDG Satellites participating in this program will be subject to the any requirements provided in the Company’s CDG Net Crediting Manual, ~~as filed with the PSC and~~ which may be modified from time to time, that are in addition to what is not specified below.

29.4.1 Enrollment

~~CDG projects participating in the CDG Net Crediting Program must meet all the requirements and follow the provisions provided in Rule 29 and Rule 40 for CDG projects.~~

The CDG Host must enroll via the Company’s enrollment portal and by executing a CDG Sponsor Net Crediting Agreement with the Company at least sixty days prior to commencing participation in ~~the~~ CDG Net Crediting ~~Program~~, in addition to any other forms and registrations required under Rule 29 and the CDG Net Crediting Manual.

The CDG Host must provide the CDG Savings Rate for the project, which is the percentage of the project’s ~~Value Stack Compensation, as determined in accordance with Rule 40,~~ that will be provided to the project’s CDG Satellites in aggregate under this program. The CDG Savings Rate must be provided at least 30 days prior to the CDG ~~host-Host~~ account’s billing date to which the rate will be applied, via the Company’s portal. The CDG Savings Rate may not be less than 5% for any CDG project. The CDG Savings Rate must be the same for all the CDG Satellites of a CDG ~~Project~~project, except for up to one Excluded Anchor Satellite, if applicable, as defined and specified in 29.4.4 below.

The CDG Host will provide its associated CDG Satellite account numbers and the allocation percentage via the Company’s online portal, in accordance with Rule 29. ~~The~~ CDG Host may modify its associated CDG Satellite accounts and/or the allocation percentages of its CDG Satellites via the Company’s portal no less than ~~thirty~~ 30 days prior to the CDG Host account’s billing date to which the modifications apply. The CDG Host may modify its associated CDG Savings Rate following the requirements provided in the CDG Net Crediting Manual.

PSC NO: 220 ELECTRICITY

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GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION ("CDG") (Continued)

29.4 CDG Net Crediting Program (continued)

CDG Hosts may remove CDG projects from ~~the~~ CDG Net Crediting ~~Program~~ with a 30-day notice to the Company. A CDG project that has been removed from ~~the~~ CDG Net Crediting ~~Program~~ is permitted to subsequently: 1) return to the CDG program, 2) re-enroll in CDG Net Crediting ~~Program~~ following the requirements provided in the CDG Net Crediting Manual, or 3) switch to Remote Crediting under Rule 66 if compensated under Rule 40.2 – Value Stack.

Projects that elect to return to CDG or switch to Remote Crediting will forfeit the crediting methodology in CDG Net Crediting that eliminates a separate participation payment from the ~~CDG satellite-Satellite~~ to the ~~host~~ CDG Host. Once removed from ~~the~~ CDG Net Crediting ~~Program~~, the Company will apply the full value of the ~~Value Stack~~ CDG Host credit to the ~~CDG S~~atellite as dictated on the allocation form without any separate payment to the ~~host~~ CDG Host or deduction of the ~~utility-Utility administration-Administration fee~~ Fee, as described below.

Non-Value Stack CDG or RNM projects that opt into ~~the~~ CDG Net Crediting will ~~forfeit any~~ retain banked volumetric credits on the existing projects ~~before commencing with the CDG Net Crediting program~~ that will become the starting balance of the new CDG Host's volumetric kWh bank under CDG Net Crediting. An existing Volumetric Net Crediting project that subsequently elects to opt-in to Value Stack Net Crediting will forfeit any remaining kWh credits banked on the CDG Host account at the time such project begins Value Stack compensation. Value Stack CDG or Remote Crediting projects that opt into ~~the~~ CDG Net Crediting will retain any banked monetary credits on the existing projects that will become the starting balance of the new CDG Host's monetary bank under CDG Net Crediting.

29.4.2 Determination of CDG Satellite's Net Member Credits for Value Stack CDG Projects:

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's retail bill based on the CDG project's net injections and associated Value Stack Compensation, as determined in accordance with Rule 40 and each applicable billing period, with modifications as follows.

Net Member Credits for each CDG Satellite shall be determined as the CDG Savings Rate multiplied by the CDG Satellite's Calculated Credits. The Calculated Credits for each participating CDG Satellite will be determined as the minimum of i) the Total Available Credit and ii) the CDG Satellite's total electric retail bill charges for the applicable billing period.

The Total Available Credit shall be determined as the sum of i) the CDG ~~project's~~ Host's Value Stack Compensation for the applicable billing period as calculated in conformance with Rule 40, multiplied by the CDG Satellite's ~~Allocation-allocation Percentage~~ percentage, as described in Rule 29.3; and ii) any retained credits that have been banked or re-allocated to the CDG Satellite's account.

Any remain~~d~~ing Net Member Credit that has not been used to credit the CDG Satellite's current electric utility bill for the applicable billing period will be banked on the CDG Satellite's account for future use. All provisions of the CDG program relating to banked credits shall be extended to Value Stack CDG Net Crediting projects.

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NIAGARA MOHAWK POWER CORPORATION

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GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION ("CDG") (Continued)

29.4 CDG Net Crediting Program (continued)

29.4.3 Determination of CDG Satellite's Net Member Credits for Volumetric CDG Projects:

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's retail utility bill based on the CDG project's net injections each applicable billing period, with modifications as follows.

Net Member Credits for each CDG Satellite shall be determined as the CDG Savings Rate multiplied by the CDG Satellite's Calculated Monetary Credits. The Calculated Monetary Credits for each participating CDG Satellite will be determined as the Net Meter Adjustment Factor multiplied by the minimum of i) the Total Available Volumetric kWh Credit and ii) the CDG Satellite's total electric kWh usage for the applicable billing period.

The Net Meter Adjustment Factor is the sum of all volumetric kWh rates associated with the CDG Satellite's retail utility bill during the applicable billing period, including delivery distribution rates, delivery surcharges, electric supply rates, and electric surcharges, net of taxes.

The Total Available Volumetric kWh Credit for each volumetric CDG Satellite shall be determined as the sum of i) the CDG Host's total kWh injections for the applicable billing period, multiplied by the CDG Satellite's allocation percentage, as described in Rule 29.3; and ii) any retained volumetric kWh credits that have been banked or re-allocated to the CDG Satellite's account.

Any remaining Total Available Volumetric kWh Credit that has not been used to credit the CDG Satellite's current electric utility bill for the applicable billing period will be banked on the CDG Satellite's account for future use. All provisions of the CDG program relating to banked credits shall be extended to Volumetric CDG Net Crediting projects.

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GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION ("CDG") (Continued)

29.4 CDG Net Crediting Program (continued)

~~Any remainder of the Total Available Credit that has not been used to credit the Satellite's total retail bill charges for the applicable billing period will be retained on the CDG Satellite's account for future use.~~

~~Notwithstanding the above, prior to automation of the above crediting mechanisms in the Company's billing system, the crediting calculations and credits provided under CDG Net Crediting Program will be performed manually by the Company using the interim methodology described in the CDG Net Crediting Manual.~~

29.4.34 Determination of CDG Host Payment

The Company will calculate the CDG Host Payment each month and remit such payment to the CDG Host as a separate payment from the retail bill following distribution of the Net Member Credits to the CDG Satellites for the applicable billing period. The CDG Host ~~shall~~will provide the necessary payment information to the Company as described in the CDG Net Crediting Manual.

The CDG Host Payment is the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable period less the Utility ~~Administrative~~Administration Fee to be retained by the Company as further described below. The CDG Subscription Fee will be determined for each CDG Satellite, excluding the Excluded Anchor Satellite, as the Calculated Credits, less the Net Member Credits. The Utility Administration Fee will be determined each billing period as 1% of the sum of the Calculated Credits and will be retained by the Company to support implementation and ongoing costs of the program.

~~Notwithstanding the above, prior to automation of the above crediting mechanisms in the Company's billing system, the CDG Host Payments will be determined as a result of the interim manual crediting calculation methodology described in the CDG Net Crediting Manual.~~

29.4.45 Excluded Anchor Satellite

The CDG Host may choose to designate one large CDG Satellite to be an Excluded Anchor Satellite. The Excluded Anchor Satellite may not be a mass market customer, as defined in Rule 36.1.9. The selection of an Excluded Anchor Satellite must be made in accordance with the procedures in the CDG Net Crediting Manual and provided via the Company portal no later than ~~thirty~~30 days prior to the CDG Host account's billing date from which the Excluded Anchor Satellite will receive credits. The Excluded Anchor Satellite will not be assigned a CDG Savings Rate. The Excluded Anchor Satellite's Net Member Credit will be equal to the Calculated Credits as calculated in 29.4.2 and 29.4.3 for the Excluded Anchor Satellite.

29.4.5-6 Unallocated Credits

In the event the sum of the CDG Satellite's allocation percentages, including the Excluded Anchor Satellite, if applicable, for a CDG Net Crediting project are less than 100.00% in any applicable billing period, the difference will be the Unallocated Satellite Percentage.

29.4.6.1 For Value Stack CDG Net Crediting projects, the Unallocated Satellite Percentage will be multiplied by the CDG project's Value Stack Compensation for the applicable billing period, excluding any Community Credits, as determined in accordance with Rule 40, to determine the Unallocated Credits. The Unallocated Credits will be added to the retained credits on the CDG Host account for future distribution to CDG Satellites.

29.4.6.2 For Volumetric CDG Net Crediting projects, the Unallocated Satellite Percentage will be multiplied by the CDG project's total net injections for the applicable billing period to determine the Unallocated Credits. The Unallocated Credits will be added to the retained kWh credits on the CDG Host account for future distribution to CDG Satellites.

DRAFT

PSC NO. 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: ~~SEPTEMBER 1, 2021~~
STAMPS: ~~Issued in Compliance with Order in Case 19 E-0735 issued July 15, 2021.~~

LEAF: 263.37
REVISION: 0
SUPERSEDING REVISION:

GENERAL INFORMATION

66. REMOTE CREDITING (Continued)

66.5 Remote Crediting Billing and Carry Over:

The Company will calculate Value Stack compensation for the project on the Remote Crediting Host bill date according to Rule 40.2.3.1 and allocate credits in accordance with the percent allocations provided by the Remote Crediting Host. Any credit allocated to the Remote Crediting Host account or to Remote Crediting Satellite accounts will be applied up to the customer account's electric charges on that bill. Any remaining unused credits for that account will be carried over on the Remote Crediting Host or Remote Crediting Satellite's respective accounts for possible allocation in the next billing period.

Credits remaining on the Remote Crediting Host account at the end of the billing period will be available to offset the Remote Crediting Host's electric charges on its next bill, or for future host bank disbursement to participating Remote Crediting Satellite accounts according to instructions provided to the Company by the Remote Crediting Host per Rule 66.4.2.

In the event a Remote Crediting Satellite account is canceled or dropped from the relationship, any remaining credits on the Satellite account, after satisfying the accounts' final electric charges, will be returned to the Remote Crediting Host account and become available to offset the host electric charges or for allocation to the remaining Remote Crediting Satellite accounts in future host bank disbursements. If the canceled or dropped Remote Crediting Satellite account is a participant in multiple Remote Crediting projects, the credits will be returned to each Remote Crediting host proportional to the percent of installed capacity allocated to that Remote Crediting Satellite account from each such project.

The Company will rely exclusively on the monthly allocation request form to verify a Remote Crediting Satellite account's participation in a Remote Crediting project.

In the event a Remote Crediting Host account is canceled, or at the end of the term of service, the Remote Crediting Host will forfeit any Value Stack credits that remain in the host bank after these credits have been applied to the Remote Crediting Host account's final bill and each Remote Crediting Satellite's current bill.

Assignment of project ownership within the same Remote Crediting compensation mechanism, does not constitute a Remote Crediting Host Account Closure. The assignor's banked credits will not be forfeited, and the Company will transfer banked credits to the new account under the assignee. Remote Crediting Satellite banked credits will be transferred to the new Remote Crediting Host Account for future allocation to Remote Crediting Satellites by the assignee. Any Remote Crediting project that completed a Consent to Assignment within the Remote Crediting program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION ("CDG") (Continued)

29.3.4 After the completion of the CDG Host's first 12 months of CDG service, the CDG Host must furnish to the Company at least once per calendar year, and as often as once per CDG Host billing cycle, and with no less than 30 days' notice, written instructions for allocating any excess credits banked to the CDG Host's account. The CDG Host cannot allocate to its own account. No distribution will be made if instructions are not received by the required date. If the Company does not receive the required notification any banked credits on the CDG Host account will be forfeited.

29.3.5 CDG Host Account Closure – The Company requires an actual reading to close an account of a CDG Host. The Company will close an account on the earlier of (a) the first billing cycle date on which a reading is taken following the requested turn off date, or (b) the date of the special reading date, which the CDG Host may request in accordance with Rule 39.14.4. After the final bill is rendered to the CDG Host, any banked credits on the CDG Host account will not be cashed out or transferred. CDG Satellites accounts will no longer receive credits once a CDG Host account is closed and the final bill is rendered for the CDG Host.

29.3.5.1 Assignment of project ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits will not be forfeited, and the Company will transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits will be transferred to the new CDG Host Account for future allocation to CDG Satellites by the assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

29.3.6 CDG Satellite Account Closure

29.3.6.1 When a CDG Satellite's account is closed or cancelled, any remaining banked credits in the CDG Satellite's bank after the final bill will be transferred to the CDG Host's bank.

29.3.6.2 When a CDG Satellite terminates its subscription with a CDG Host, any remaining banked credits in the CDG Satellite's bank after the final bill will be transferred to the CDG Host's bank.

29.3.6.2.1 The Company will rely on the CDG Host's monthly allocation form to verify the CDG Satellite's participation in the CDG Host's project. The Company will transfer any banked credits of the CDG Satellite to the CDG Host when the CDG Satellite's account is no longer included on the CDG Host's allocation form.

29.3.6.2.2 A CDG Satellite that has been removed from a CDG Host project but continues to maintain an active utility account may not subscribe to a new CDG Host or CDG Net Crediting project until the billing period after which all banked credits on the CDG Satellite's account are returned to the previous CDG Host's bank.

29.3.6.3 Any remaining banked credits removed from a CDG Satellite's bank and added to a CDG Host's bank will be returned in full without any reduction for the Market Transition Credit (MTC) or Community Credit (CC). CDG Hosts are permitted to reallocate returned credits among any active CDG Satellites in accordance with Rule 29, with the exception that returned credits may also be reallocated to non-mass market subscribers who are otherwise ineligible to receive the MTC or CC compensation.

GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION ("CDG") (Continued)

29.4 CDG Net Crediting Program

Customers who meet the requirements specified in Rule No. 29 for a CDG Host or CDG Satellite may participate in the CDG Net Crediting Program as specified in this Rule 29.4. Volumetric CDG projects under net metering, defined as CDG projects that allocate kWh to CDG Satellites per Rule 29.3.2, are also permitted to participate in CDG Net Crediting. The CDG Net Crediting Program provides for an alternate payment and crediting methodology for CDG Hosts and CDG Satellites eliminating a separate participation payment from the CDG Satellite to the CDG Host. The Company will facilitate crediting the CDG Satellite's bills and pay the CDG Host based on the value of the CDG project's net injections and as further provided below. The CDG Host and CDG Satellites participating in this program will be subject to the requirements provided in the Company's CDG Net Crediting Manual, which may be modified from time to time, that are in addition to what is specified below.

29.4.1 Enrollment

The CDG Host must enroll via the Company's enrollment portal and by executing a CDG Sponsor Net Crediting Agreement with the Company at least sixty days prior to commencing participation in CDG Net Crediting, in addition to any other forms and registrations required under Rule 29 and the CDG Net Crediting Manual.

The CDG Host must provide the CDG Savings Rate for the project, which is the percentage of the project's compensation that will be provided to the project's CDG Satellites in aggregate under this program. The CDG Savings Rate must be provided at least 30 days prior to the CDG Host account's billing date to which the rate will be applied, via the Company's portal. The CDG Savings Rate may not be less than 5% for any CDG project. The CDG Savings Rate must be the same for all the CDG Satellites of a CDG project, except for up to one Excluded Anchor Satellite, if applicable, as defined and specified in 29.4.4 below.

The CDG Host will provide its associated CDG Satellite account numbers and the allocation percentage via the Company's online portal, in accordance with Rule 29. The CDG Host may modify its associated CDG Satellite accounts and/or the allocation percentages of its CDG Satellites via the Company's portal no less than 30 days prior to the CDG Host account's billing date to which the modifications apply. The CDG Host may modify its associated CDG Savings Rate following the requirements provided in the CDG Net Crediting Manual.

GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION (“CDG”) (Continued)

29.4 CDG Net Crediting Program (continued)

CDG Hosts may remove CDG projects from CDG Net Crediting with a 30-day notice to the Company. A CDG project that has been removed from CDG Net Crediting is permitted to subsequently: 1) return to the CDG program, 2) re-enroll in CDG Net Crediting following the requirements provided in the CDG Net Crediting Manual, or 3) switch to Remote Crediting under Rule 66 if compensated under Rule 40.2 – Value Stack.

Projects that elect to return to CDG or switch to Remote Crediting will forfeit the crediting methodology in CDG Net Crediting that eliminates a separate participation payment from the CDG Satellite to the CDG Host. Once removed from CDG Net Crediting, the Company will apply the full value of the CDG Host credit to the CDG Satellite as dictated on the allocation form without any separate payment to the CDG Host or deduction of the Utility Administration Fee, as described below.

Non-Value Stack CDG or RNM projects that opt into CDG Net Crediting will retain banked volumetric credits on the existing projects that will become the starting balance of the new CDG Host’s volumetric kWh bank under CDG Net Crediting. An existing Volumetric Net Crediting project that subsequently elects to opt-in to Value Stack Net Crediting will forfeit any remaining kWh credits banked on the CDG Host account at the time such project begins Value Stack compensation. Value Stack CDG or Remote Crediting projects that opt into CDG Net Crediting will retain any banked monetary credits on the existing projects that will become the starting balance of the new CDG Host’s monetary bank under CDG Net Crediting.

29.4.2 Determination of CDG Satellite’s Net Member Credits for Value Stack CDG Projects:

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite’s retail bill based on the CDG project’s net injections and associated Value Stack Compensation, as determined in accordance with Rule 40 and each applicable billing period, with modifications as follows.

Net Member Credits for each CDG Satellite shall be determined as the CDG Savings Rate multiplied by the CDG Satellite’s Calculated Credits. The Calculated Credits for each participating CDG Satellite will be determined as the minimum of i) the Total Available Credit and ii) the CDG Satellite’s total electric retail bill charges for the applicable billing period.

The Total Available Credit shall be determined as the sum of i) the CDG Host’s Value Stack Compensation for the applicable billing period as calculated in conformance with Rule 40, multiplied by the CDG Satellite’s allocation percentage, as described in Rule 29.3; and ii) any retained credits that have been banked or re-allocated to the CDG Satellite’s account. Any remaining Net Member Credit that has not been used to credit the CDG Satellite’s current electric utility bill for the applicable billing period will be banked on the CDG Satellite’s account for future use. All provisions of the CDG program relating to banked credits shall be extended to Value Stack CDG Net Crediting projects.

GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION ("CDG") (Continued)

29.4 CDG Net Crediting Program (continued)

29.4.3 Determination of CDG Satellite's Net Member Credits for Volumetric CDG Projects:

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's retail utility bill based on the CDG project's net injections each applicable billing period, with modifications as follows.

Net Member Credits for each CDG Satellite shall be determined as the CDG Savings Rate multiplied by the CDG Satellite's Calculated Monetary Credits. The Calculated Monetary Credits for each participating CDG Satellite will be determined as the Net Meter Adjustment Factor multiplied by the minimum of i) the Total Available Volumetric kWh Credit and ii) the CDG Satellite's total electric kWh usage for the applicable billing period.

The Net Meter Adjustment Factor is the sum of all volumetric kWh rates associated with the CDG Satellite's retail utility bill during the applicable billing period, including delivery distribution rates, delivery surcharges, electric supply rates, and electric surcharges, net of taxes.

The Total Available Volumetric kWh Credit for each volumetric CDG Satellite shall be determined as the sum of i) the CDG Host's total kWh injections for the applicable billing period, multiplied by the CDG Satellite's allocation percentage, as described in Rule 29.3; and ii) any retained volumetric kWh credits that have been banked or re-allocated to the CDG Satellite's account.

Any remaining Total Available Volumetric kWh Credit that has not been used to credit the CDG Satellite's current electric utility bill for the applicable billing period will be banked on the CDG Satellite's account for future use. All provisions of the CDG program relating to banked credits shall be extended to Volumetric CDG Net Crediting projects.

GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION (“CDG”) (Continued)

29.4 CDG Net Crediting Program (continued)

29.4.4 Determination of CDG Host Payment

The Company will calculate the CDG Host Payment each month and remit such payment to the CDG Host as a separate payment from the retail bill following distribution of the Net Member Credits to the CDG Satellites for the applicable billing period. The CDG Host shall provide the necessary payment information to the Company as described in the CDG Net Crediting Manual.

The CDG Host Payment is the sum of the CDG Subscription Fees calculated for each of the project’s CDG Satellites in the applicable period less the Utility Administration Fee to be retained by the Company as further described below. The CDG Subscription Fee will be determined for each CDG Satellite, excluding the Excluded Anchor Satellite, as the Calculated Credits, less the Net Member Credits. The Utility Administration Fee will be determined each billing period as 1% of the sum of the Calculated Credits and will be retained by the Company to support implementation and ongoing costs of the program.

29.4.5 Excluded Anchor Satellite

The CDG Host may choose to designate one large CDG Satellite to be an Excluded Anchor Satellite. The Excluded Anchor Satellite may not be a mass market customer, as defined in Rule 36.1.9. The selection of an Excluded Anchor Satellite must be made in accordance with the procedures in the CDG Net Crediting Manual and provided via the Company portal no later than 30 days prior to the CDG Host account’s billing date from which the Excluded Anchor Satellite will receive credits. The Excluded Anchor Satellite will not be assigned a CDG Savings Rate. The Excluded Anchor Satellite’s Net Member Credit will be equal to the Calculated Credits as calculated in 29.4.2 and 29.4.3 for the Excluded Anchor Satellite.

29.4.6 Unallocated Credits

In the event the sum of the CDG Satellite’s allocation percentages, including the Excluded Anchor Satellite, if applicable, for a CDG Net Crediting project are less than 100.00% in any applicable billing period, the difference will be the Unallocated Satellite Percentage.

29.4.6.1 For Value Stack CDG Net Crediting projects, the Unallocated Satellite Percentage will be multiplied by the CDG project’s Value Stack Compensation for the applicable billing period, excluding any Community Credits, as determined in accordance with Rule 40, to determine the Unallocated Credits. The Unallocated Credits will be added to the retained credits on the CDG Host account for future distribution to CDG Satellites.

29.4.6.2 For Volumetric CDG Net Crediting projects, the Unallocated Satellite Percentage will be multiplied by the CDG project’s total net injections for the applicable billing period to determine the Unallocated Credits. The Unallocated Credits will be added to the retained kWh credits on the CDG Host account for future distribution to CDG Satellites.

GENERAL INFORMATION

66. REMOTE CREDITING (Continued)

66.5 Remote Crediting Billing and Carry Over:

The Company will calculate Value Stack compensation for the project on the Remote Crediting Host bill date according to Rule 40.2.3.1 and allocate credits in accordance with the percent allocations provided by the Remote Crediting Host. Any credit allocated to the Remote Crediting Host account or to Remote Crediting Satellite accounts will be applied up to the customer account's electric charges on that bill. Any remaining unused credits for that account will be carried over on the Remote Crediting Host or Remote Crediting Satellite's respective accounts for possible allocation in the next billing period.

Credits remaining on the Remote Crediting Host account at the end of the billing period will be available to offset the Remote Crediting Host's electric charges on its next bill, or for future host bank disbursement to participating Remote Crediting Satellite accounts according to instructions provided to the Company by the Remote Crediting Host per Rule 66.4.2.

In the event a Remote Crediting Satellite account is canceled or dropped from the relationship, any remaining credits on the Satellite account, after satisfying the accounts' final electric charges, will be returned to the Remote Crediting Host account and become available to offset the host electric charges or for allocation to the remaining Remote Crediting Satellite accounts in future host bank disbursements. If the canceled or dropped Remote Crediting Satellite account is a participant in multiple Remote Crediting projects, the credits will be returned to each Remote Crediting host proportional to the percent of installed capacity allocated to that Remote Crediting Satellite account from each such project.

The Company will rely exclusively on the monthly allocation request form to verify a Remote Crediting Satellite account's participation in a Remote Crediting project.

In the event a Remote Crediting Host account is canceled, or at the end of the term of service, the Remote Crediting Host will forfeit any Value Stack credits that remain in the host bank after these credits have been applied to the Remote Crediting Host account's final bill and each Remote Crediting Satellite's current bill.

Assignment of project ownership within the same Remote Crediting compensation mechanism, does not constitute a Remote Crediting Host Account Closure. The assignor's banked credits will not be forfeited, and the Company will transfer banked credits to the new account under the assignee. Remote Crediting Satellite banked credits will be transferred to the new Remote Crediting Host Account for future allocation to Remote Crediting Satellites by the assignee. Any Remote Crediting project that completed a Consent to Assignment within the Remote Crediting program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

GENERAL INFORMATION

37. Community Distributed Generation

A customer may participate in Community Distributed Generation (“CDG”) as provided herein.

The CDG Host and CDG Satellites must meet all terms and conditions of this Rate Schedule and the requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082 and Case 15-M-0180, as they may be amended or superseded from time to time.

1. Definitions

Available Credit (Value Stack): The Total Available Credit (Value Stack) shall be determined as the sum of i) the CDG project’s Value Stack Compensation for the applicable billing period multiplied by the CDG Satellite’s Allocation Percentage; and ii) any retained credits that have been banked or re-allocated to the CDG Satellite’s account.

Available Credit (Volumetric): The Total Available Credit (Volumetric) shall be determined as the excess kWh designated to the Satellite Account that is converted to a monetary credit and applied to the per kWh charges on the Satellite Account and if applicable, Company supply charges or Consolidated Bill charges from the ESCO. Monetary credits are calculated using the per kWh rate for the Service Classification applicable to the Satellite Account; plus any remaining credit that is converted back to kWh based on the per kWh rate for the Service Classification applicable to the Satellite Account.

CDG Host: A non-residential customer that owns or operates electric generating equipment eligible for net metering under this Rule and whose net energy produced by its generating equipment is applied to the accounts of other electric customers (“CDG Satellites”) with which it has a contractual arrangement related to the disposition of net metering credits.

CDG Host Anniversary Month: 11 months from the CDG Host’s initial CDG bill period start date. The CDG Host Anniversary month cannot be modified or changed.

CDG Satellites: A customer who is participating in a CDG Program. Each customer shall own or contract for a proportion of the credits accumulated at the meter of the CDG Host.

Excess Generation: The electricity (kWh) supplied by the CDG Host to the Company during the billing period that exceeds the electricity (kWh) supplied by the Company to CDG Host. For customers billed on time-differentiated rates (TOU meter), *e.g.*, On-Peak/Off-Peak, the excess is calculated and maintained for each peak. For hourly billed customers, excess generation is calculated for each hourly period.

Net Member Credits: Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credit, which is defined as the minimum of: the Total Available Credit and (2) the CDG Satellite’s current electric bill for the applicable billing period.

GENERAL INFORMATION

37. Community Distributed Generation

1. Definitions (Cont'd)

Net-Metered Generation Facility: A generation facility eligible for net metering as a non-residential customer in conformance with PSL 66-j or 66-l, limited in size to 5 MW (Micro-Combined Heat and Power, ("CHP")) is excluded from this Rule), located behind a host meter attached to a load under either a demand or non-demand classification. A CDG Host with an eligible Clean Energy Standard Tier 1 technology as provided in Appendix A of the Commission's Order Adopting a Clean Energy Standard, issued on August 1, 2016 in Case 15-E-0302, and participating in Rule 40.B. Value Stack may qualify as a generation facility for CDG and be compensated based on Rule 40.B. Stand-alone energy storage systems shall be an eligible facility for CDG subject to the requirements described in Rule 40.B.

Operating Agreement: Details the process and contractual agreement between the Company and CDG Host.

Unallocated Credits: For Value Stack CDG Net Crediting projects, if the sum of CDG Satellites allocations are less than 100%, the difference becomes Unallocated satellite percentage. The Unallocated Satellite Percentage will be multiplied by the CDG project's Value Stack Compensation for the applicable billing period, excluding any Market Transition Credits or Community Credits to determine the Unallocated Credits. The Unallocated Credits will be added to the current retained/banked credits on the CDG Host account for future redistribution to the CDG Satellites. For volumetric CDG Net Crediting projects, the Unallocated Satellite Percentage will be multiplied by the CDG project's total net injections for the applicable billing period to determine the Unallocated Credits (kWh). The Unallocated Credits will be added to the retained credits on the CDG Host account for future distribution to CDG Satellites.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program

Effective April 1, 2021, a CDG Host that is compensated pursuant to Rule 40.B Value Stack, may participate in the CDG Net Crediting Program as specified in this Rule 37.7.5. Effective April 1, 2026, a Volumetric CDG Host, defined as CDG projects that allocate kWh to CDG satellites per Rule 37.7.4.b, may enroll in the CDG Net Crediting Program as specified in this Rule 37.7.5. The CDG Net Crediting Program is an alternative payment and crediting methodology for CDG Hosts and CDG Satellites. Additional terms, conditions, definitions, and processes are set forth in the Community Distributed Generation Value of Distributed Energy Resources ("VDER" or "Value Stack") Procedural Requirements and NEM/Volumetric CDG Procedural Requirements, both including a Net Crediting Manual, (herein after referred to as "CDG Procedural Requirements") and posted on the Company's website. The Net Crediting Program allows CDG Satellites to receive one bill from the Company with a Net Member credit in lieu of receiving an additional separate bill from the CDG Host. The Company shall remit payment to the CDG Host as described herein.

A. Enrollment and Subsequent Changes

The CDG Host must enroll by executing a CDG Sponsor Net Crediting Agreement with the Company, at least sixty days prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under Rule 37 and the Company's CDG Procedural Requirements, as applicable. An existing CDG Host may enroll their project on a first-come, first-serve basis at least sixty days prior to requesting participation in the CDG Net Crediting Program. Participation in Net Crediting shall become effective with the first CDG Host bill sixty days after all necessary enrollment forms have been received and approved by the Company.

1. The CDG Host must be current on their utility account tied to the CDG Host project to be eligible and participate in Net Crediting.
2. The CDG Host shall provide the CDG Savings Rate for the project to the Company as part of the enrollment process. Following the initial enrollment in the Net Crediting Program, the CDG Host may submit a request to update the CDG Savings Rate no earlier than six months from the initial enrollment in the CDG Net Crediting Program and only during the months of March or September as set forth in the Company's CDG Procedural Requirements, as applicable.
 - a. The CDG Savings Rate may not be less than 5% for any CDG project and no greater than 100% minus the Utility Administration Fee rate of 1%. The CDG Savings Rate will apply equally to all CDG Satellites of a CDG Project, except for an Excluded Anchor Satellite, if applicable, as specified in 37.7.5.B. below.
 - b. The CDG Host may modify its CDG Savings Rate or its associated CDG Satellite accounts and/or the allocation percentages of its CDG Satellites no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.
 - c. Non-Value Stack CDG or RNM projects that opt into the CDG Net Crediting will retain banked volumetric credits on the existing projects that will become the starting balance of the new CDG Net Crediting project's Host volumetric bank. An existing Volumetric Net Crediting project that subsequently elects to opt-in to Value Stack Net Crediting will forfeit any remaining kWh credits banked on the Host account at the time such project begins Value Stack compensation.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

A. Enrollment and Subsequent Changes (Cont'd)

3. CDG Hosts may remove the CDG project from the CDG Net Crediting Program with 30 days' notice prior to the CDG Host Account's cycle billing date to which the modifications apply. A CDG project that has been previously been removed from the CDG Net Crediting Program may re-enroll following at least one year from when they were removed from the CDG Net Crediting Program and shall be subject to the required sixty days' notice to re-enroll a CDG project as specified in A.1 above.

- a. CDG projects that have been removed from the CDG Net Crediting Program shall have the option to switch to Remote Crediting (Rule 50), if compensated under Rule 40.B Value Stack.

If a CDG Host transfers ownership of a CDG project participating in the Net Crediting Program, and the new CDG Host requests to continue the Net Crediting, the CDG Host shall re-enroll the CDG project on sixty days' notice as described above.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

B. Excluded Anchor Satellite

1. The CDG Host may choose to designate one large CDG Satellite to be an Excluded Anchor Satellite.
2. The Excluded Anchor Satellite shall be a demand-billed, non-mass market Company electricity customer with demand greater than or equal to 25kW in the last twelve months.
3. The Excluded Anchor Satellite may be identified on the CDG Net Credit Form when enrolling in Net Crediting at least 60 days prior to net crediting as an Excluded Anchor Satellite.
4. The CDG Host may change the designation of the Excluded Anchor Satellite as set forth in the CDG Procedural Requirements, as applicable.
5. The CDG Savings Rate shall not apply to the Applied Credits calculated for the Excluded Anchor Satellite.
6. The CDG Subscription Fee shall not apply to the Excluded Anchor Satellite.

C. Determination of CDG Satellite's Net Member Credits and CDG Subscription Fee

1. The Company shall calculate and apply a Net Member Credit to the participating CDG Satellite's bill.
2. The Net Member Credit shall be determined as follows for Value Stack Projects:
 - a. For each billing period, the total credit allocated to the CDG Satellite shall be calculated pursuant to Rule 40.B.7.c, Value Stack Billing for net export injections. Banked Monetary Credits plus allocated Monetary Credits applied to electric charges ("Applied Credit") cannot exceed the CDG Satellite's electric bill.
 - b. If there is remaining Monetary Credits, the credit shall be banked on the CDG Satellite's account for the subsequent billing period.
 - c. The CDG's Satellite's Net Member Credit is equal to the Applied Credit times the CDG Savings Rate.
3. The Net Member Credit shall be determined as follows for Volumetric Projects:
 - a. For each billing period, the total credit allocated to the CDG Satellite shall be calculated pursuant to Rule 37.7.4.b.ii, Calculation and Application of Volumetric Credits. The monetary credit applied to a Satellite bill is referred to as the "Applied Credit".
 - b. The CDG's Satellite's Net Member Credit is equal to the Applied Credit times the CDG Savings Rate.
4. A CDG Subscription Fee will be calculated for all CDG Satellites, except the Excluded Anchor Customer, based on the Applied Credit each billing period. The CDG Subscription Fee is equal to the Applied Credit multiplied by a percentage of one minus the CDG Savings Rate.

A CDG Satellite, except an Excluded Anchor Customer, shall receive a credit on their bill in the amount equal to the net credit.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

D. Determination of CDG Host Payment

1. The CDG Host Payment will be the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable billing period less the Utility Administrative Fee. A Utility Administrative Fee is retained by the Company and is calculated using a discount rate of 1% of the total Applied Credit.
2. The Company will calculate the CDG Host Payment and remit to the CDG Host a separate payment via ACH or check payment.
3. If the CDG Host fails to pay any tariff charges on the CDG Host account for which a written bill has been rendered:
 - a. and arrears exceeds 30 days, then the Company shall withhold the CDG Host payment until the CDG Host has provided payment of the full amount in arrears.
 - b. and arrears exceeds 90 days, the Company shall remove the CDG Host from the CDG Net Crediting Program.

E. Account Closures /CDG Satellite Discontinuance of Participation

1. Refer to Section 9, Account Closures, or Section 10, Discontinuance of Participation in CDG Project of this Rule, as applicable. However, the final cash out at avoided cost applicable to Farm Waste and Farm Wind generating equipment pursuant to Section 9 does not apply.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

8. Annual Allocation Requests

- A. The CDG Host may choose to submit a one-time annual allocation request to fully distribute 100% of the credits to its members.
 - i. The CDG Host may furnish to the Company an Annual Allocation request no less than 15 days prior to the Host's bill period starting in the Anniversary Month. An allocation is effective for a one-time allocation only and supersedes any other allocation requests for the anniversary month bill period.
 - a. The most recent Allocation Request in effect prior to the Annual Allocation Request shall continue to be applied to all on-going allocations unless a new Subsequent Allocation request is submitted.

If an Annual Allocation Request is not received, allocations shall be made in accordance to the allocation request in effect.

CDG Host Account shall have up to a two-year grace period following the CDG Host's Anniversary month to distribute excess credits they retain at the end of the annual period. If the CDG Host Account has any annual credits remaining at the end of the two-year grace period, it shall forfeit a number of credits equal to the smallest number of credits that were in the CDG Host's account at any point during the grace period.

A CDG Host shall only be permitted to retain credits for distribution during the two-year grace period if those credits remain after the Host has distributed as many credits as practicable to Satellite Accounts, such that each Satellite Account's consumption in the final month of the annual period has been fully offset.

9. Account Closures

- i. CDG Host Account
 - If a CDG Host closes their account:
 - i. The Company shall require an actual meter reading to close an account pursuant to this Rule.
 - ii. The Company shall close an account on the earlier of:
 - (a) the first cycle date on which a reading is taken following the requested turn off date, or
 - (b) the date of a special reading, which a Customer may request at the charge specified in General Information Section 16.D.6.(c).
 - iii. After a CDG Host account's final bill is rendered, any remaining banked credit shall not be transferred. However, a CDG Host with Farm Wind or Farm Waste electric generating equipment shall receive a final cash out at avoided cost.
 - iv. A CDG Host with remaining banked credit at the end of the project term (i.e., 20 years for unused Phase One NEM volumetric credits or 25 years for unused Value Stack monetary credits) shall forfeit such credit.
 - v. Assignment of Ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits shall not be forfeited and the Company shall transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits shall be transferred to new CDG Host Account for future allocation to CDG Satellites by assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term shall be based on the project's original interconnection date.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

9. Account Closures (Cont'd)

ii. CDG Satellite Account

If a CDG Satellite closes their account:

- i. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- ii. The Company shall close an account on the earlier of:
 - (a) the first cycle date on which a reading is taken following the requested turn off date, or
 - (b) the date of a special reading, which a Customer may request at the charge specified in General Information Section 16.D.6.(c).
- iii. Once the CDG Satellite has closed their account and the final bill rendered, the banked credits that were remaining on the CDG Satellite's account shall be transferred back to the CDG Host Account.
- iv. Credits transferred to the CDG Host Account shall be transferred with no adjustments for the Market Transition Charge ("MTC") or Community Credit ("CC"), if applicable.
- v. Once remaining credits have been transferred to the CDG Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the CDG Satellite Account for that CDG project.

GENERAL INFORMATION

50. Remote Crediting ("RC") Program

G. Account Closure

1. Host Account

- a. The Company shall require an actual meter reading to close an Account pursuant to this Rule.
- b. The Company shall close an account on the earlier of: (a) the first cycle date on which a reading is taken following the requested turn off date, or (b) the date of a special reading, which a Customer may request at the charge specified in General Information Rule 16.D.6.(c).
- c. After the Host Account's final bill is rendered, or at the end of the term of service, the Remote Crediting Host will forfeit any remaining credit in the host bank and shall not be cashed out or transferred.
- d. Assignment of Ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits shall not be forfeited and the Company shall transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits shall be transferred to new CDG Host Account for future allocation to CDG Satellites by assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term shall be based on the project's original interconnection date.

2. Satellite Account

- a. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- b. The Company shall close an account on the earlier of:
 - i. the first cycle date on which a reading is taken following the requested turn off date, or
 - ii. the date of a special reading, which a Customer may request at the charge specified in General Information Rule 16.D.6.(c).
- c. Once the Remote Crediting Satellite has closed their account and the final bill rendered, the banked credits that were remaining on the Remote Crediting Satellite's account shall be transferred back to the Remote Crediting Host Account.
- d. If the Remote Crediting Satellite was participating in multiple Remote Crediting projects, the credits shall be returned to each host in the proportioned percent of installed capacity allocated to that account in each project.
- e. Once remaining credits have been transferred to the Remote Crediting Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the Remote Crediting Satellite Account for that Remote Crediting project.

GENERAL INFORMATION

50. Remote Crediting ("RC") Program

H. One-Time Voluntary Switch:

A customer shall have the option to make a one-time voluntary switch from Remote Crediting to Community Distributed Generation (Rule 37). The procedure to switch is detailed in the CDG VDER Procedural Requirements manual posted on the Company's website.

- a. A customer shall provide the Company with notice of their intent to switch and submit a switching certification and a CDG/Remote Crediting allocation form within 60 days of the new project's first account billing date or within 45 days of the existing project's last host account billing date.
 - (i) The project shall remain under the Value Stack compensation mechanism as described in Rule 40.B.10.
 - (ii) This switch shall be irrevocable.
- b. If a customer chooses to make a one-time voluntary switch, the component rates that were established on the customers eligibility date shall not change and all project elections shall carry forward.
- c. The compensation term shall be that of the program that a customer is switching into and begins on the project's original interconnection date.

GENERAL INFORMATION

37. Community Distributed Generation

A customer may participate in Community Distributed Generation (“CDG”) as provided herein.

The CDG Host and CDG Satellites must meet all terms and conditions of this Rate Schedule and the requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082 and Case 15-M-0180, as they may be amended or superseded from time to time.

1. Definitions

Available Credit (Value Stack): The Total Available Credit (Value Stack) shall be determined as the sum of i) the CDG project’s Value Stack Compensation for the applicable billing period multiplied by the CDG Satellite’s Allocation Percentage; and ii) any retained credits that have been banked or re-allocated to the CDG Satellite’s account.

Available Credit (Volumetric): The Total Available Credit (Volumetric) shall be determined as the excess kWh designated to the Satellite Account that is converted to a monetary credit and applied to the per kWh charges on the Satellite Account and if applicable, Company supply charges or Consolidated Bill charges from the ESCO. Monetary credits are calculated using the per kWh rate for the Service Classification applicable to the Satellite Account; plus any remaining credit that is converted back to kWh based on the per kWh rate for the Service Classification applicable to the Satellite Account.

CDG Host: A non-residential customer that owns or operates electric generating equipment eligible for net metering under this Rule and whose net energy produced by its generating equipment is applied to the accounts of other electric customers (“CDG Satellites”) with which it has a contractual arrangement related to the disposition of net metering credits.

CDG Host Anniversary Month: 11 months from the CDG Host’s initial CDG bill period start date. The CDG Host Anniversary month cannot be modified or changed.

CDG Satellites: A customer who is participating in a CDG Program. Each customer shall own or contract for a proportion of the credits accumulated at the meter of the CDG Host.

Excess Generation: The electricity (kWh) supplied by the CDG Host to the Company during the billing period that exceeds the electricity (kWh) supplied by the Company to CDG Host. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, the excess is calculated and maintained for each peak. For hourly billed customers, excess generation is calculated for each hourly period.

Net Member Credits: Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credit, which is defined as the minimum of: the Total Available Credit and (2) the CDG Satellite’s current electric bill for the applicable billing period.

GENERAL INFORMATION

37. Community Distributed Generation

1. Definitions (Cont'd)

Net-Metered Generation Facility: A generation facility eligible for net metering as a non-residential customer in conformance with PSL 66-j or 66-l, limited in size to 5 MW (Micro-Combined Heat and Power, ("CHP")) is excluded from this Rule), located behind a host meter attached to a load under either a demand or non-demand classification. A CDG Host with an eligible Clean Energy Standard Tier 1 technology as provided in Appendix A of the Commission's Order Adopting a Clean Energy Standard, issued on August 1, 2016 in Case 15-E-0302, and participating in Rule 40.B. Value Stack may qualify as a generation facility for CDG and be compensated based on Rule 40.B. Stand-alone energy storage systems shall be an eligible facility for CDG subject to the requirements described in Rule 40.B.

Operating Agreement: Details the process and contractual agreement between the Company and CDG Host.

Unallocated Credits: For Value Stack CDG Net Crediting projects, if the sum of CDG Satellite's allocations are less than 100%, the difference becomes Unallocated satellite percentage. The Unallocated Satellite Percentage will be multiplied by the CDG project's Value Stack Compensation for the applicable billing period, excluding any Market Transition Credits or Community Credits to determine the Unallocated Credits. The Unallocated Credits will be added to the current retained/banked credits on the CDG Host account for future redistribution to the CDG Satellites. For volumetric CDG Net Crediting projects, the Unallocated Satellite Percentage will be multiplied by the CDG project's total net injections for the applicable billing period to determine the Unallocated Credits (kWh). The Unallocated Credits will be added to the retained credits on the CDG Host account for future distribution to CDG Satellites.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program

Effective April 1, 2021, a CDG Host that is compensated pursuant to Rule 40.B Value Stack, may participate in the CDG Net Crediting Program as specified in this Rule 37.7.5. Effective April 1, 2026, a Volumetric CDG Host, defined as CDG projects that allocate kWh to CDG satellites per Rule 37.7.4.b, may enroll in the CDG Net Crediting Program as specified in this Rule 37.7.5. The CDG Net Crediting Program is an alternative payment and crediting methodology for CDG Hosts and CDG Satellites. Additional terms, conditions, definitions, and processes are set forth in the Community Distributed Generation Value of Distributed Energy Resources ("VDER" or "Value Stack") Procedural Requirements and NEM/Volumetric CDG Procedural Requirements, both including a Net Crediting Manual, (herein after referred to as "CDG Value Stack Procedural Requirements") and posted on the Company's website. The Net Crediting Program allows CDG Satellites to receive one bill from the Company with a Net Member credit in lieu of receiving an additional separate bill from the CDG Host. The Company shall remit payment to the CDG Host as described herein.

A. Enrollment and Subsequent Changes

~~CDG projects participating in the CDG Net Crediting Program must meet the requirements as applicable to projects that are compensated pursuant to Rule 40.B and participated in Rule 37, CDG.~~

The CDG Host must enroll by executing a CDG Sponsor Net Crediting Agreement with the Company, at least sixty days prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under Rule 37 and the Company's CDG ~~Value Stack~~ Procedural Requirements, as applicable. An existing CDG Host may enroll their project on a first-come, first-serve basis at least sixty days prior to requesting participation in the CDG Net Crediting Program. Participation in Net Crediting shall become effective with the first CDG Host bill sixty days after all necessary enrollment forms have been received and approved by the Company.

1. The CDG Host must be current on their utility account tied to the CDG Host project to be eligible and participate in Net Crediting.
2. The CDG Host shall provide the CDG Savings Rate for the project to the Company as part of the enrollment process. Following the initial enrollment in the Net Crediting Program, the CDG Host may submit a request to update the CDG Savings Rate no earlier than six months from the initial enrollment in the CDG Net Crediting Program and only during the months of March or September as set forth in the Company's CDG ~~Value Stack~~ Procedural Requirements, as applicable.
 - a. The CDG Savings Rate may not be less than 5% for any CDG project and no greater than 100% minus the Utility Administration Fee rate of 1%. The CDG Savings Rate will apply equally to all CDG Satellites of a CDG Project, except for an Excluded Anchor Satellite, if applicable, as specified in 37.7.5.B. below.
 - b. The CDG Host may modify its CDG Savings Rate or its associated CDG Satellite accounts and/or the allocation percentages of its CDG Satellites no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.
 - c. Non-Value Stack CDG or RNM projects that opt into the CDG Net Crediting will retain/forfeit any banked volumetric credits on the existing projects -that will become the starting balance of the new CDG Net Crediting project's Host volumetric bank before commencing with the CDG Net Crediting program. An existing Volumetric Net Crediting project that subsequently elects to opt-in to Value Stack Net Crediting will forfeit any remaining kWh credits banked on the Host account at the time such project begins Value Stack compensation.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

A. Enrollment and Subsequent Changes (Cont'd)

3. CDG Hosts may remove the CDG project from the CDG Net Crediting Program with 30 days' notice prior to the CDG Host Account's cycle billing date to which the modifications apply. A CDG project that has been previously been removed from the CDG Net Crediting Program may re-enroll following at least one year from when they were removed from the CDG Net Crediting Program and shall be subject to the required sixty days' notice to re-enroll a CDG project as specified in A.1 above.

a. CDG projects that have been removed from the CDG Net Crediting Program shall have the option to switch to Remote Crediting (Rule 50), if compensated under Rule 40.B Value Stack.

~~a.~~ If a CDG Host transfers ownership of a CDG project participating in the Net Crediting Program, and the new CDG Host requests to continue the Net Crediting, the CDG Host shall re-enroll the CDG project on sixty days' notice as described above.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

B. Excluded Anchor Satellite

1. The CDG Host may choose to designate one large CDG Satellite to be an Excluded Anchor Satellite.
2. The Excluded Anchor Satellite shall be a demand-billed, non-mass market Company electricity customer with demand greater than or equal to 25kW in the last twelve months.
3. The Excluded Anchor Satellite may be identified on the CDG Net Credit Form when enrolling in Net Crediting at least 60 days prior to net crediting as an Excluded Anchor Satellite.
4. The CDG Host may change the designation of the Excluded Anchor Satellite as set forth in the CDG ~~Value Stack~~ Procedural Requirements, as applicable.
5. The CDG Savings Rate shall not apply to the Applied Credits calculated for the Excluded Anchor Satellite.
6. The CDG Subscription Fee shall not apply to the Excluded Anchor Satellite.

C. Determination of CDG Satellite's Net Member Credits for Value Stack CDG projects and CDG Subscription Fee

1. The Company shall calculate and apply a Net Member Credit to the participating CDG Satellite's bill.
2. The Net Member Credit shall be determined as follows for Value Stack Projects:
 - a. For each billing period, the total credit allocated to the CDG Satellite shall be calculated pursuant to Rule 40.B.7.c, Value Stack Billing for net export injections. Banked Monetary Credits plus allocated Monetary Credits applied to electric charges ("Applied Credit") cannot exceed the CDG Satellite's electric bill.
 - b. If there is remaining Monetary Credits, the credit shall be banked on the CDG Satellite's account for the subsequent billing period.
 - c. The CDG's Satellite's Net Member Credit is equal to the Applied Credit times the CDG Savings Rate.
3. The Net Member Credit shall be determined as follows for Volumetric Projects:
 - a. For each billing period, the total credit allocated to the CDG Satellite shall be calculated pursuant to Rule 37.7.4.b.ii, Calculation and Application of Volumetric Credits. The monetary credit applied to a Satellite bill is referred to as the "Applied Credit".
 - b. The CDG's Satellite's Net Member Credit is equal to the Applied Credit times the CDG Savings Rate.
- 3.4. A CDG Subscription Fee will be calculated for all CDG Satellites, except the Excluded Anchor Customer, based on the Applied Credit each billing period. The CDG Subscription Fee is equal to the Applied Credit multiplied by a percentage of one minus the CDG Savings Rate.

A CDG Satellite, except an Excluded Anchor Customer, will shall receive a credit on their bill in the amount equal to the net credit.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

D. Determination of CDG Host Payment

1. The CDG Host Payment will be the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable billing period less the Utility Administrative Fee. A Utility Administrative Fee is retained by the Company and is calculated using a discount rate of 1% of the total Applied Credit.
2. The Company will calculate the CDG Host Payment and remit to the CDG Host a separate payment via ACH or check payment.
3. If the CDG Host fails to pay any tariff charges on the CDG Host account for which a written bill has been rendered:
 - a. and arrears exceeds 30 days, then the Company shall withhold the CDG Host payment until the CDG Host has provided payment of the full amount in arrears.
 - b. and arrears exceeds 90 days, the Company shall remove the CDG Host from the CDG Net Crediting Program.

E. Account Closures /CDG Satellite Discontinuance of Participation

1. Refer to Section 9, Account Closures, or Section 10, Discontinuance of Participation in CDG Project of this Rule, as applicable. However, the final cash out at avoided cost applicable to Farm Waste and Farm Wind generating equipment pursuant to Section 9 does not apply.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

8. Annual Allocation Requests

- A. The CDG Host may choose to submit a one-time annual allocation request to fully distribute 100% of the credits to its members.
- i. The CDG Host may furnish to the Company an Annual Allocation request no less than 15 days prior to the Host's bill period starting in the Anniversary Month. An allocation is effective for a one-time allocation only and supersedes any other allocation requests for the anniversary month bill period.
 - a. The most recent Allocation Request in effect prior to the Annual Allocation Request shall continue to be applied to all on-going allocations unless a new Subsequent Allocation request is submitted.

If an Annual Allocation Request is not received, allocations shall be made in accordance to the allocation request in effect.

CDG Host Account shall have up to a two-year grace period following the CDG Host's Anniversary month to distribute excess credits they retain at the end of the annual period. If the CDG Host Account has any annual credits remaining at the end of the two-year grace period, it shall forfeit a number of credits equal to the smallest number of credits that were in the CDG Host's account at any point during the grace period.

A CDG Host shall only be permitted to retain credits for distribution during the two-year grace period if those credits remain after the Host has distributed as many credits as practicable to Satellite Accounts, such that each Satellite Account's consumption in the final month of the annual period has been fully offset.

9. Account Closures

- i. CDG Host Account
 - If a CDG Host closes their account:
 - i. The Company shall require an actual meter reading to close an account pursuant to this Rule.
 - ii. The Company shall close an account on the earlier of:
 - (a) the first cycle date on which a reading is taken following the requested turn off date, or
 - (b) the date of a special reading, which a Customer may request at the charge specified in General Information Section 16.D.6.(c).
 - iii. After a CDG Host account's final bill is rendered, any remaining banked credit shall not be transferred. However, a CDG Host with Farm Wind or Farm Waste electric generating equipment shall receive a final cash out at avoided cost.
 - iv. A CDG Host with remaining banked credit at the end of the project term (i.e., 20 years for unused Phase One NEM volumetric credits or 25 years for unused Value Stack monetary credits) shall forfeit such credit.
 - v. Assignment of Ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits shall not be forfeited and the Company shall transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits shall be transferred to new CDG Host Account for future allocation to CDG Satellites by assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term shall be based on the project's original interconnection date.

GENERAL INFORMATION

37. Community Distributed Generation (Cont'd)

9. Account Closures (Cont'd)

ii. CDG Satellite Account

If a CDG Satellite closes their account:

- i. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- ii. The Company shall close an account on the earlier of:
 - (a) the first cycle date on which a reading is taken following the requested turn off date, or
 - (b) the date of a special reading, which a Customer may request at the charge specified in General Information Section 16.D.6.(c).
- iii. Once the CDG Satellite has closed their account and the final bill rendered, the banked credits that were remaining on the CDG Satellite's account shall be transferred back to the CDG Host Account.
- iv. Credits transferred to the CDG Host Account shall be transferred with no adjustments for the Market Transition Charge ("MTC") or Community Credit ("CC"), if applicable.
- v. Once remaining credits have been transferred to the CDG Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the CDG Satellite Account for that CDG project.

GENERAL INFORMATION

50. Remote Crediting ("RC") Program

G. Account Closure

1. Host Account

- a. The Company shall require an actual meter reading to close an Account pursuant to this Rule.
- b. The Company shall close an account on the earlier of: (a) the first cycle date on which a reading is taken following the requested turn off date, or (b) the date of a special reading, which a Customer may request at the charge specified in General Information Rule 16.D.6.(c).
- c. After the Host Account's final bill is rendered, or at the end of the term of service, the Remote Crediting Host will forfeit any remaining credit in the host bank and shall not be cashed out or transferred.
- ~~e-d.~~ Assignment of Ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits shall not be forfeited and the Company shall transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits shall be transferred to new CDG Host Account for future allocation to CDG Satellites by assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term shall be based on the project's original interconnection date.

2. Satellite Account

- a. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- b. The Company shall close an account on the earlier of:
 - i. the first cycle date on which a reading is taken following the requested turn off date, or
 - ii. the date of a special reading, which a Customer may request at the charge specified in General Information Rule 16.D.6.(c).
- c. Once the Remote Crediting Satellite has closed their account and the final bill rendered, the banked credits that were remaining on the Remote Crediting Satellite's account shall be transferred back to the Remote Crediting Host Account.
- d. If the Remote Crediting Satellite was participating in multiple Remote Crediting projects, the credits shall be returned to each host in the proportioned percent of installed capacity allocated to that account in each project.
- e. Once remaining credits have been transferred to the Remote Crediting Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the Remote Crediting Satellite Account for that Remote Crediting project.

GENERAL INFORMATION

50. Remote Crediting (“RC”) Program

H. One-Time Voluntary Switch:

A customer shall have the option to make a one-time voluntary switch from Remote Crediting to Community Distributed Generation (Rule 37). The procedure to switch is detailed in the CDG VDER Procedural Requirements manual posted on the Company’s website.

- a. A customer shall provide the Company with notice of their intent to switch and submit a switching certification and a CDG/Remote Crediting allocation form within 60 days of the new project’s first account billing date or within 45 days of the existing project’s last host account billing date.
 - (i) The project shall remain under the Value Stack compensation mechanism as described in Rule 40.B.10.
 - (ii) This switch shall be irrevocable.
- b. If a customer chooses to make a one-time voluntary switch, the component rates that were established on the customers eligibility date shall not change and all project elections shall carry forward.
- c. The compensation term shall be that of the program that a customer is switching into and begins on the project’s original interconnection date.

GENERAL INFORMATION

23. Community Distributed Generation

A customer may participate in Community Distributed Generation ("CDG") as provided herein.

The CDG Host and CDG Satellites must meet all terms and conditions of this Rate Schedule and the requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082 and Case 15-M-0180, as they may be amended or superseded from time to time.

1. Definitions

Available Credit (Value Stack): The Total Available Credit shall be determined as the sum of i) the CDG project's Value Stack Compensation for the applicable billing period multiplied by the CDG Satellite's Allocation Percentage; and ii) any retained credits that have been banked or re-allocated to the CDG Satellite's account.

Available Credit (Volumetric): The Total Available Credit (Volumetric) shall be determined as the excess kWh designated to the Satellite Account that is converted to a monetary credit and applied to the per kWh charges on the Satellite Account and if applicable, Company supply charges or Consolidated Bill charges from the ESCO. Monetary credits are calculated using the per kWh rate for the Service Classification applicable to the Satellite Account; plus any remaining credit that is converted back to kWh based on the per kWh rate for the Service Classification applicable to the Satellite Account.

CDG Host: A non-residential customer that owns or operates electric generating equipment eligible for net metering under this Rule and whose net energy produced by its generating equipment is applied to the accounts of other electric customers ("CDG Satellites") with which it has a contractual arrangement related to the disposition of net metering credits.

CDG Host Anniversary Month: 11 months from the CDG Host's initial CDG bill period start date. The CDG Host Anniversary month cannot be modified or changed.

CDG Satellites: A customer who is participating in a CDG Program. Each customer shall own or contract for a proportion of the credits accumulated at the meter of the CDG Host.

Excess Generation: The electricity (kWh) supplied by the CDG Host to the Company during the billing period that exceeds the electricity (kWh) supplied by the Company to CDG Host. For customers billed on time-differentiated rates (TOU meter), *e.g.*, On-Peak/Off-Peak, the excess is calculated and maintained for each peak. For hourly billed customers, excess generation is calculated for each hourly period.

Net Member Credits: Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credit, which is defined as the minimum of: the Total Available Credit and (2) the CDG Satellite's current electric bill for the applicable billing period.

GENERAL INFORMATION

23. Community Distributed Generation

1. Definitions (Cont'd)

Net-Metered Generation Facility: A generation facility eligible for net metering as a non-residential customer in conformance with PSL 66-j or 66-l, limited in size to 5 MW (Micro-Combined Heat and Power, ("CHP") is excluded from this Rule), located behind a host meter attached to a load under either a demand or non-demand classification. A CDG Host with an eligible Clean Energy Standard Tier 1 technology as provided in Appendix A of the Commission's Order Adopting a Clean Energy Standard, issued on August 1, 2016 in Case 15-E-0302, and participating in Rule 26.B. Value Stack may qualify as a generation facility for CDG and be compensated based on Rule 26.B. Stand-alone energy storage systems will be eligible under Rule 23 subject to the requirements described in Rule 26.B.

Operating Agreement: Details the process and contractual agreement between the Company and CDG Host.

Unallocated Credits: For Value Stack CDG Net Crediting project, if the sum of CDG Satellite's allocations are less than 100%, difference becomes Unallocated satellite percentage. The Unallocated Satellite Percentage will be multiplied by the CDG project's Value Stack Compensation for the applicable billing period, excluding any Market Transition Credits or Community Credits to determine the Unallocated Credits. The Unallocated Credits will be added to the current retained/banked credits on the CDG Host account for future redistribution to the CDG Satellites. For volumetric CDG Net Crediting projects, the Unallocated Satellite Percentage will be multiplied by the CDG project's total net injections for the applicable billing period to determine the Unallocated Credits (kWh). The Unallocated Credits will be added to the retained credits on the CDG Host account for future distribution to CDG Satellites.

GENERAL INFORMATION

23. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits

5. CDG Net Crediting Program

Effective April 1, 2021, a CDG Host that is compensated pursuant to Rule 26.B Value Stack may participate in the CDG Net Crediting Program as specified in this Rule 23.7.5. Effective April 1, 2026, a Volumetric CDG Host, defined as CDG projects that allocate kWh to CDG satellites per Rule 37.7.4.b, may enroll in the CDG Net Crediting Program as specified in this Rule 23.7.5. The CDG Net Crediting Program is an alternative payment and crediting methodology for CDG Hosts and CDG Satellites. Additional terms, conditions, definitions, and processes are set forth in the Community Distributed Generation Value of Distributed Energy Resources ("VDER" or "Value Stack") Procedural Requirements and NEM/Volumetric CDG Procedural Requirements, both including Net a Crediting Manual (herein after referred to as "CDG Procedural Requirements") and posted on the company's website. The Net Crediting Program allows CDG Satellites to receive one bill from the Company with a Net Member credit in lieu of receiving an additional separate bill from the CDG Host. The Company shall remit payment to the CDG Host as described herein.

a. Enrollment and Subsequent Changes

The CDG Host must enroll by executing a CDG Sponsor Net Crediting Agreement with the Company, at least sixty days prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under Rule 23 and the Company's CDG Value Stack Procedural Requirements. An existing CDG Host may enroll their project on a first-come, first-serve basis at least sixty days prior to requesting participation in the CDG Net Crediting Program. Participation in Net Crediting shall become effective with the first CDG Host bill sixty days after all necessary enrollment forms have been received and approved by the Company.

- i. The CDG Host must be current on their utility account tied to the CDG Host project to be eligible and participate in Net Crediting.
- ii. The CDG Host shall provide the CDG Savings Rate for the project to the Company as part of the enrollment process. Following the initial enrollment in the Net Crediting Program, the CDG Host may submit a request to update the CDG Savings Rate no earlier than six months from the initial enrollment in the CDG Net Crediting Program and only during the months of March or September as set forth in the Company's CDG Procedural Requirements, as applicable.
 - a. The CDG Savings Rate may not be less than 5% for any CDG project and no greater than 100% minus the Utility Administration Fee of 1%. The CDG Savings Rate will apply equally to all CDG Satellites of a CDG Project, except for an Excluded Anchor Satellite, if applicable, as specified in 23.7.5.d. below.
 - b. The CDG Host may modify its CDG Savings Rate or its associated CDG Satellite accounts and/or the allocation percentages of its CDG Satellites no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.
 - c. Non-Value Stack CDG or RNM projects that opt into the CDG Net Crediting will retain banked volumetric credits on the existing projects that will become the starting balance of the new CDG Net Crediting project's Host volumetric bank. An existing Volumetric Net Crediting project that subsequently elects to opt-in to Value Stack Net Crediting will forfeit any remaining kWh credits banked on the Host account at the time such project begins Value Stack compensation.

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23. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

a. Enrollment and Subsequent Changes (Cont'd)

iii. CDG Hosts may remove the CDG project from the CDG Net Crediting Program with 30 days' notice prior to the CDG Host Account's cycle billing date to which the modifications apply. A CDG project that has been previously been removed from the CDG Net Crediting Program may re-enroll following at least one year from when they were removed from the CDG Net Crediting Program and shall be subject to the required sixty days' notice to re-enroll a CDG project as specified in a.i. above.

a. CDG projects that have been removed from the CDG Net Crediting Program shall have the option to switch to Remote Crediting (Rule 35), if compensated under Rule 26.B Value Stack.

GENERAL INFORMATION

23. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

- iv. If a CDG Host transfers ownership of a CDG project participating in the Net Crediting Program, and the new CDG Host requests to continue the Net Crediting, the CDG Host shall re-enroll the CDG project on sixty days' notice as described above.

b. Excluded Anchor Satellite

- i. The CDG Host may choose to designate one large CDG Satellite to be an Excluded Anchor Satellite.
- ii. The Excluded Anchor Satellite shall be a demand-billed, non-mass market Company electricity customer with demand greater than or equal to 25kW in the last twelve months.
- iii. The Excluded Anchor Satellite may be identified on the CDG Net Credit Form when enrolling in Net Crediting at least 60 days prior to net crediting as an Excluded Anchor Satellite.
- iv. The CDG Host may change the designation of the Excluded Anchor Satellite as set forth in the CDG Procedural Requirements, as applicable.
- v. The CDG Savings Rate shall not apply to the Applied Credits calculated for the Excluded Anchor Satellite.
- vi. The CDG Subscription Fee shall not apply to the Excluded Anchor Satellite.

c. Determination of CDG Satellite's Net Member Credits and CDG Subscription Fee

- i. The Company shall calculate and apply a Net Member Credit to the participating CDG Satellite's bill.
- ii. The Net Member Credit shall be determined as follows for Value Stack projects:
 - a. For each billing period, the total credit allocated to the CDG Satellite shall be calculated pursuant to Rule 26.B.7.c, Value Stack Billing for net export injections. Banked Monetary Credit plus allocated Monetary Credits applied to electric charges ("Applied Credit") cannot exceed the CDG Satellite's electric bill.
 - b. If there is remaining Monetary Credits, the credit shall be banked on the CDG Satellite's account for the subsequent billing period.
 - c. The CDG's Satellite's Net Member Credit is equal to the Applied Credit times the CDG Savings Rate.
- iii. The Net Member Credit shall be determined as follows for Volumetric Projects:
 - a. For each billing period, the total credit allocated to the CDG Satellite shall be calculated pursuant to Rule 37.7.4.b.ii, Calculation and Application of Volumetric Credits. The monetary credit applied to a Satellite bill is referred to as the "Applied Credit".
 - b. The CDG's Satellite's Net Member Credit is equal to the Applied Credit times the CDG Savings Rate.
- iv. A CDG Subscription Fee will be calculated for all CDG Satellites, except the Excluded Anchor Customer, based on the Applied Credit each billing period. The CDG Subscription Fee is equal to the Applied Credit multiplied by a percentage of one minus the CDG Savings Rate.

A CDG Satellite, except an Excluded Anchor Customer, shall receive a credit on their bill in the amount equal to the net credit.

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23. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

d. Determination of CDG Host Payment

The CDG Host Payment will be the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable billing period less the Utility Administrative Fee.

- i. A Utility Administrative Fee is retained by the Company and is calculated using a discount rate of 1% of the total Applied Credit.

GENERAL INFORMATION

23. Community Distributed Generation (Cont'd)

8. Annual Allocation Requests

- a. The CDG Host may choose to submit a one-time annual allocation request to fully distribute 100% of the excess Credits to its members.
- i. The CDG Host may furnish to the Company an Annual Allocation request no less than 15 days prior to the Host's bill period starting in the Anniversary Month. An allocation is effective for a one-time allocation only and supersedes any other allocation requests for the anniversary month bill period.
- a. The most recent Allocation Request in effect prior to the Annual Allocation Request shall continue to be applied to all on-going allocations unless a new Subsequent Allocation request is submitted.

If an Annual Allocation Request is not received, allocations shall be made in accordance to the allocation request in effect.

CDG Host Account shall have up to a two-year grace period following the CDG Host's Anniversary month to distribute any excess credits they retain at the end of the annual period.

If the CDG Host Account has any annual credits remaining at the end of the two-year grace period, it shall forfeit a number of credits equal to the smallest number of credits that were in the CDG Host's account at any point during the grace period.

A CDG Hosts shall only be permitted to retain credits for distribution during the two-year grace period if those credits remain after the Host has distributed as many credits as practicable to Satellite Accounts, such that each Satellite Account's consumption in the final month of the annual period has been fully offset.

9. Account Closures

a. CDG Host Account

If a CDG Host closes their account:

- i. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- ii. The Company shall close an account on the earlier of:
 - (a) the first cycle date on which a reading is taken following the requested turn off date, or
 - (b) the date of a special reading, which a Customer may request at the charge specified in Charges for Special Services Statement.
- iii. After a CDG Host account's final bill is rendered, any remaining banked credit shall not be transferred. However, a CDG Host with Farm Wind or Farm Waste electric generating equipment shall receive a final cash out at avoided cost.
- iv. A CDG Host with remaining banked credit at the end of the project term (i.e., 20 years for unused Phase One NEM volumetric credits or 25 years for unused Value Stack monetary credits) shall forfeit such credit.
- v. Assignment of Ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits shall not be forfeited and the Company shall transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits shall be transferred to new CDG Host Account for future allocation to CDG Satellites by assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term shall be based on the project's original interconnection date.

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GENERAL INFORMATION

23. Community Distributed Generation (Cont'd)

9. Account Closures (Cont'd)

b. CDG Satellite Account

If a CDG Satellite closes their account:

- i. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- ii. The Company shall close an account on the earlier of:
 - (a) the first cycle date on which a reading is taken following the requested turn off date, or
 - (b) the date of a special reading, which a Customer may request at the charge specified in the Charges for Special Services Statement.
- c. Once the CDG Satellite has closed their account and the final bill rendered, the banked credits that were remaining on the CDG Satellite's account shall be transferred to the CDG Host Account.
- d. Credits transferred to the CDG Host Account shall be transferred with no adjustments to the Market Transition Charge ("MTC") or Community Credit ("CC"), if applicable.
- e. Once remaining credits have been transferred to the CDG Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the CDG Satellite Account for that CDG project.

GENERAL INFORMATION

35. Remote Crediting ("RC") Program

G. Account Closure

1. Host Account

- a. The Company shall require an actual meter reading to close an Account pursuant to this Rule.
- b. The Company shall close an account on the earlier of: (a) the first cycle date on which a reading is taken following the requested turn off date, or (b) the date of a special reading, which a Customer may request at the charge specified in General Information Rule 11.7.C.(c).
- c. After the Host Account's final bill is rendered, or at the end of the term of service, the Remote Crediting Host will forfeit any remaining credit in the host bank and shall not be cashed out or transferred.
- d. Assignment of Ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits shall not be forfeited and the Company shall transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits shall be transferred to new CDG Host Account for future allocation to CDG Satellites by assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term shall be based on the project's original interconnection date.

2. Satellite Account

- a. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- b. The Company shall close an account on the earlier of:
 - i. the first cycle date on which a reading is taken following the requested turn off date, or
 - ii. the date of a special reading, which a Customer may request at the charge specified in General Information Section 11.7.C.(c).
- c. Once the Remote Crediting Satellite has closed their account and the final bill rendered, the banked credits that were remaining on the Remote Crediting Satellite's account shall be transferred back to the Remote Crediting Host Account.
- d. If the Remote Crediting Satellite was participating in multiple Remote Crediting projects, the credits shall be returned to each host in the proportioned percent of installed capacity allocated to that account in each project.
- e. Once remaining credits have been transferred to the Remote Crediting Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the Remote Crediting Satellite Account for that Remote Crediting project.

GENERAL INFORMATION

35. Remote Crediting (“RC”) Program

H. One-Time Voluntary Switch:

A customer shall have the option to make a one-time voluntary switch from Remote Crediting to Community Distributed Generation (Rule 23). The procedure to switch is detailed in the CDG VDER Procedural Requirements manual posted on the Company’s website.

- a. A customer shall provide the Company with notice of their intent to switch and submit a switching certification and a CDG/Remote Crediting allocation form within 60 days of the new project’s first account billing date or within 45 days of the existing project’s last host account billing date.
 - (i) The project shall remain under the Value Stack compensation mechanism as described in Rule 26.B.10.
 - (ii) This switch shall be irrevocable.
- b. If a customer chooses to make a one-time voluntary switch, the component rates that were established on the customers eligibility date shall not change and all project elections shall carry forward.
- c. The compensation term shall be that of the program that a customer is switching into and begins on the project’s original interconnection date.

GENERAL INFORMATION

23. Community Distributed Generation

A customer may participate in Community Distributed Generation ("CDG") as provided herein.

The CDG Host and CDG Satellites must meet all terms and conditions of this Rate Schedule and the requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082 and Case 15-M-0180, as they may be amended or superseded from time to time.

1. Definitions

Available Credit (Value Stack): The Total Available Credit shall be determined as the sum of i) the CDG project's Value Stack Compensation for the applicable billing period multiplied by the CDG Satellite's Allocation Percentage; and ii) any retained credits that have been banked or re-allocated to the CDG Satellite's account.

Available Credit (Volumetric): The Total Available Credit (Volumetric) shall be determined as the excess kWh designated to the Satellite Account that is converted to a monetary credit and applied to the per kWh charges on the Satellite Account and if applicable, Company supply charges or Consolidated Bill charges from the ESCO. Monetary credits are calculated using the per kWh rate for the Service Classification applicable to the Satellite Account; plus any remaining credit that is converted back to kWh based on the per kWh rate for the Service Classification applicable to the Satellite Account.

CDG Host: A non-residential customer that owns or operates electric generating equipment eligible for net metering under this Rule and whose net energy produced by its generating equipment is applied to the accounts of other electric customers ("CDG Satellites") with which it has a contractual arrangement related to the disposition of net metering credits.

CDG Host Anniversary Month: 11 months from the CDG Host's initial CDG bill period start date. The CDG Host Anniversary month cannot be modified or changed.

CDG Satellites: A customer who is participating in a CDG Program. Each customer shall own or contract for a proportion of the credits accumulated at the meter of the CDG Host.

Excess Generation: The electricity (kWh) supplied by the CDG Host to the Company during the billing period that exceeds the electricity (kWh) supplied by the Company to CDG Host. For customers billed on time-differentiated rates (TOU meter), e.g., On-Peak/Off-Peak, the excess is calculated and maintained for each peak. For hourly billed customers, excess generation is calculated for each hourly period.

Net Member Credits: Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credit, which is defined as the minimum of: the Total Available Credit and (2) the CDG Satellite's current electric bill for the applicable billing period.

GENERAL INFORMATION

23. Community Distributed Generation

1. Definitions (Cont'd)

Net-Metered Generation Facility: A generation facility eligible for net metering as a non-residential customer in conformance with PSL 66-j or 66-l, limited in size to 5 MW (Micro-Combined Heat and Power, ("CHP") is excluded from this Rule), located behind a host meter attached to a load under either a demand or non-demand classification. A CDG Host with an eligible Clean Energy Standard Tier 1 technology as provided in Appendix A of the Commission's Order Adopting a Clean Energy Standard, issued on August 1, 2016 in Case 15-E-0302, and participating in Rule 26.B. Value Stack may qualify as a generation facility for CDG and be compensated based on Rule 26.B. Stand-alone energy storage systems will be eligible under Rule 23 subject to the requirements described in Rule 26.B.

Operating Agreement: Details the process and contractual agreement between the Company and CDG Host.

Unallocated Credits: For Value Stack CDG Net Crediting project, If the sum of CDG Satellite's allocations are ~~is~~ less than 100%, difference becomes Unallocated satellite percentage. The Unallocated Satellite Percentage will be multiplied by the CDG project's Value Stack Compensation for the applicable billing period, excluding any Market Transition Credits or Community Credits to determine the Unallocated Credits. The Unallocated Credits will be added to the current retained/banked credits on the CDG Host account for future redistribution to the CDG Satellites. For volumetric CDG Net Crediting projects, the Unallocated Satellite Percentage will be multiplied by the CDG project's total net injections for the applicable billing period to determine the Unallocated Credits (kWh). The Unallocated Credits will be added to the retained credits on the CDG Host account for future distribution to CDG Satellites.

GENERAL INFORMATION

23. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits

5. CDG Net Crediting Program

Effective April 1, 2021, a CDG Host that is compensated pursuant to Rule 26.B Value Stack may participate in the CDG Net Crediting Program as specified in this Rule 23.7.5. Effective April 1, 2026, a Volumetric CDG Host, defined as CDG projects that allocate kWh to CDG satellites per Rule 37.7.4.b, may enroll in the CDG Net Crediting Program as specified in this Rule 23.7.5. The CDG Net Crediting Program is an alternative payment and crediting methodology for CDG Hosts and CDG Satellites. Additional terms, conditions, definitions, and processes are set forth in the Community Distributed Generation Value of Distributed Energy Resources ("VDER" or "Value Stack") Procedural Requirements and NEM/Volumetric CDG Procedural Requirements, both including Net a Crediting Manual (herein after referred to as "CDG Value Stack-Procedural Requirements") and posted on the company's website. The Net Crediting Program allows CDG Satellites to receive one bill from the Company with a Net Member credit in lieu of receiving an additional separate bill from the CDG Host. The Company shall remit payment to the CDG Host as described herein.

a. Enrollment and Subsequent Changes

~~CDG projects participating in the CDG Net Crediting Program must meet requirements as applicable to projects that are compensated pursuant to Rule 26.B. Value Stack and participated in Rule 23, CDG.~~

The CDG Host must enroll by executing a CDG Sponsor Net Crediting Agreement with the Company, at least sixty days prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under Rule 23 and the Company's CDG Value Stack Procedural Requirements. An existing CDG Host may enroll their project on a first-come, first-serve basis at least sixty days prior to requesting participation in the CDG Net Crediting Program. Participation in Net Crediting shall become effective with the first CDG Host bill sixty days after all necessary enrollment forms have been received and approved by the Company.

- i. The CDG Host must be current on their utility account tied to the CDG Host project to be eligible and participate in Net Crediting.
- ii. The CDG Host shall provide the CDG Savings Rate for the project to the Company as part of the enrollment process. Following the initial enrollment in the Net Crediting Program, the CDG Host may submit a request to update the CDG Savings Rate no earlier than six months from the initial enrollment in the CDG Net Crediting Program and only during the months of March or September as set forth in the Company's CDG ~~Value Stack~~ Procedural Requirements, as applicable.
 - a. The CDG Savings Rate may not be less than 5% for any CDG project and no greater than 100% minus the Utility Administration Fee of 1%. The CDG Savings Rate will apply equally to all CDG Satellites of a CDG Project, except for an Excluded Anchor Satellite, if applicable, as specified in 23.7.5.d. below.
 - b. The CDG Host may modify its CDG Savings Rate or its associated CDG Satellite accounts and/or the allocation percentages of its CDG Satellites no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.
 - ~~c.~~ e.—Non-Value Stack CDG or RNM projects that opt into the CDG Net Crediting will retain ~~forfeit any~~ banked volumetric credits on the existing projects that will become the starting balance of the new CDG Net Crediting project's Host volumetric bank, before commencing with the CDG Net Crediting program. ~~An existing Volumetric Net Crediting project that subsequently elects to opt-in to Value Stack Net Crediting will forfeit any remaining kWh credits banked on the Host account at the time such project begins Value Stack compensation.~~

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23. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

a. Enrollment and Subsequent Changes (Cont'd)

iii. CDG Hosts may remove the CDG project from the CDG Net Crediting Program with 30 days' notice prior to the CDG Host Account's cycle billing date to which the modifications apply. A CDG project that has been previously been removed from the CDG Net Crediting Program may re-enroll following at least one year from when they were removed from the CDG Net Crediting Program and shall be subject to the required sixty days' notice to re-enroll a CDG project as specified in a.i. above.

a. CDG projects that have been removed from the CDG Net Crediting Program shall have the option to switch to Remote Crediting (Rule 35), if compensated under Rule 26.B Value Stack.

GENERAL INFORMATION

23. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

- iv. If a CDG Host transfers ownership of a CDG project participating in the Net Crediting Program, and the new CDG Host requests to continue the Net Crediting, the CDG Host shall re-enroll the CDG project on sixty days' notice as described above.

b. Excluded Anchor Satellite

- i. The CDG Host may choose to designate one large CDG Satellite to be an Excluded Anchor Satellite.
- ii. The Excluded Anchor Satellite shall be a demand-billed, non-mass market Company electricity customer with demand greater than or equal to 25kW in the last twelve months.
- iii. The Excluded Anchor Satellite may be identified on the CDG Net Credit Form when enrolling in Net Crediting at least 60 days prior to net crediting as an Excluded Anchor Satellite.
- iv. The CDG Host may change the designation of the Excluded Anchor Satellite as set forth in the CDG ~~Value Stack~~ Procedural Requirements, as applicable.
- v. The CDG Savings Rate shall not apply to the Applied Credits calculated for the Excluded Anchor Satellite.
- vi. The CDG Subscription Fee shall not apply to the Excluded Anchor Satellite.

c. Determination of CDG Satellite's Net Member Credits and CDG Subscription Fee

- i. The Company shall calculate and apply a Net Member Credit to the participating CDG Satellite's bill.

- ii. The Net Member Credit shall be determined as follows for Value Stack projects:

- a. For each billing period, the total credit allocated to the CDG Satellite shall be calculated pursuant to Rule 26.B.7.c, Value Stack Billing for net export injections. Banked Monetary Credit plus allocated Monetary Credits applied to electric charges ("Applied Credit") cannot exceed the CDG Satellite's electric bill.

- b. If there is remaining Monetary Credits, the credit shall be banked on the CDG Satellite's account for the subsequent billing period.

- ~~c.~~ The CDG's Satellite's Net Member Credit is equal to the Applied Credit times the CDG Savings Rate.

- ~~iii.~~ The Net Member Credit shall be determined as follows for Volumetric Projects:

- a. For each billing period, the total credit allocated to the CDG Satellite shall be calculated pursuant to Rule 37.7.4.b.ii, Calculation and Application of Volumetric Credits. The monetary credit applied to a Satellite bill is referred to as the "Applied Credit".

- ~~a-b.~~ The CDG's Satellite's Net Member Credit is equal to the Applied Credit times the CDG Savings Rate.

- ~~iv.iii.~~ A CDG Subscription Fee will be calculated for all CDG Satellites, except the Excluded Anchor Customer, based on the Applied Credit each billing period. The CDG Subscription Fee is equal to the Applied Credit multiplied by a percentage of one minus the CDG Savings Rate.

A CDG Satellite, except an Excluded Anchor Customer, ~~shall will~~ receive a credit on their bill in the amount equal to the net credit.

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23. Community Distributed Generation (Cont'd)

7. Calculation and Application of Credits (Cont'd)

5. CDG Net Crediting Program (Cont'd)

d. Determination of CDG Host Payment

The CDG Host Payment will be the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable billing period less the Utility Administrative Fee.

- i. A Utility Administrative Fee is retained by the Company and is calculated using a discount rate of 1% of the total Applied Credit.

GENERAL INFORMATION

23. Community Distributed Generation (Cont'd)

8. Annual Allocation Requests

- a. The CDG Host may choose to submit a one-time annual allocation request to fully distribute 100% of the excess Credits to its members.
- i. The CDG Host may furnish to the Company an Annual Allocation request no less than 15 days prior to the Host's bill period starting in the Anniversary Month. An allocation is effective for a one-time allocation only and supersedes any other allocation requests for the anniversary month bill period.
- a. The most recent Allocation Request in effect prior to the Annual Allocation Request shall continue to be applied to all on-going allocations unless a new Subsequent Allocation request is submitted.

If an Annual Allocation Request is not received, allocations shall be made in accordance to the allocation request in effect.

CDG Host Account shall have up to a two-year grace period following the CDG Host's Anniversary month to distribute any excess credits they retain at the end of the annual period.

If the CDG Host Account has any annual credits remaining at the end of the two-year grace period, it shall forfeit a number of credits equal to the smallest number of credits that were in the CDG Host's account at any point during the grace period.

A CDG Hosts shall only be permitted to retain credits for distribution during the two-year grace period if those credits remain after the Host has distributed as many credits as practicable to Satellite Accounts, such that each Satellite Account's consumption in the final month of the annual period has been fully offset.

9. Account Closures

a. CDG Host Account

If a CDG Host closes their account:

- i. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- ii. The Company shall close an account on the earlier of:
 - (a) the first cycle date on which a reading is taken following the requested turn off date, or
 - (b) the date of a special reading, which a Customer may request at the charge specified in Charges for Special Services Statement.
- iii. After a CDG Host account's final bill is rendered, any remaining banked credit shall not be transferred. However, a CDG Host with Farm Wind or Farm Waste electric generating equipment shall receive a final cash out at avoided cost.
- iv. A CDG Host with remaining banked credit at the end of the project term (i.e., 20 years for unused Phase One NEM volumetric credits or 25 years for unused Value Stack monetary credits) shall forfeit such credit.
- v. Assignment of Ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits shall not be forfeited and the Company shall transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits shall be transferred to new CDG Host Account for future allocation to CDG Satellites by assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term shall be based on the project's original interconnection date.

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23. Community Distributed Generation (Cont'd)

9. Account Closures (Cont'd)

b. CDG Satellite Account

If a CDG Satellite closes their account:

- i. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- ii. The Company shall close an account on the earlier of:
 - (a) the first cycle date on which a reading is taken following the requested turn off date, or
 - (b) the date of a special reading, which a Customer may request at the charge specified in the Charges for Special Services Statement.
- c. Once the CDG Satellite has closed their account and the final bill rendered, the banked credits that were remaining on the CDG Satellite's account shall be transferred to the CDG Host Account.
- d. Credits transferred to the CDG Host Account shall be transferred with no adjustments to the Market Transition Charge ("MTC") or Community Credit ("CC"), if applicable.
- e. Once remaining credits have been transferred to the CDG Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the CDG Satellite Account for that CDG project.

GENERAL INFORMATION

35. Remote Crediting ("RC") Program

G. Account Closure

1. Host Account

- a. The Company shall require an actual meter reading to close an Account pursuant to this Rule.
- b. The Company shall close an account on the earlier of: (a) the first cycle date on which a reading is taken following the requested turn off date, or (b) the date of a special reading, which a Customer may request at the charge specified in General Information Rule 11.7.C.(c).
- c. After the Host Account's final bill is rendered, or at the end of the term of service, the Remote Crediting Host will forfeit any remaining credit in the host bank and shall not be cashed out or transferred.
- d. Assignment of Ownership within the same CDG compensation mechanism, does not constitute a CDG Host Account Closure. The assignor's banked credits shall not be forfeited and the Company shall transfer CDG Host banked credits to the new account under the assignee. CDG Satellite banked credits shall be transferred to new CDG Host Account for future allocation to CDG Satellites by assignee. Any CDG project that completed a Consent to Assignment within the CDG program shall retain the original compensation term and the start date of such term shall be based on the project's original interconnection date.

2. Satellite Account

- a. The Company shall require an actual meter reading to close an account pursuant to this Rule.
- b. The Company shall close an account on the earlier of:
 - i. the first cycle date on which a reading is taken following the requested turn off date, or
 - ii. the date of a special reading, which a Customer may request at the charge specified in General Information Section 11.7.C.(c).
- c. Once the Remote Crediting Satellite has closed their account and the final bill rendered, the banked credits that were remaining on the Remote Crediting Satellite's account shall be transferred back to the Remote Crediting Host Account.
- d. If the Remote Crediting Satellite was participating in multiple Remote Crediting projects, the credits shall be returned to each host in the proportioned percent of installed capacity allocated to that account in each project.
- e. Once remaining credits have been transferred to the Remote Crediting Host of a project, the Company shall not be responsible for any additional refunds or credits owed to the Remote Crediting Satellite Account for that Remote Crediting project.

GENERAL INFORMATION

35. Remote Crediting (“RC”) Program

H. One-Time Voluntary Switch:

A customer shall have the option to make a one-time voluntary switch from Remote Crediting to Community Distributed Generation (Rule 23). The procedure to switch is detailed in the CDG VDER Procedural Requirements manual posted on the Company’s website.

- a. A customer shall provide the Company with notice of their intent to switch and submit a switching certification and a CDG/Remote Crediting allocation form within 60 days of the new project’s first account billing date or within 45 days of the existing project’s last host account billing date.
 - (i) The project shall remain under the Value Stack compensation mechanism as described in Rule 26.B.10.
 - (ii) This switch shall be irrevocable.
- b. If a customer chooses to make a one-time voluntary switch, the component rates that were established on the customers eligibility date shall not change and all project elections shall carry forward.
- c. The compensation term shall be that of the program that a customer is switching into and begins on the project’s original interconnection date.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

**REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)**

(B) Remote Crediting ("RC") (Continued)

- (8) Non-Value Stack RNM projects that opt into the Value Stack must adhere to the rules and requirements of Remote Crediting. Customers served under Grandfathered Net Metering or Phase One NEM must forfeit any remaining kWh credits prior to their enrollment in Remote Crediting.
- (9) RC Satellite Accounts are not permitted to participate in RNM, CDG, or be an RC Host Account. RC Host Accounts are not permitted to participate as an RC Satellite Account in another RC project or as an RNM Satellite Account.
- (10) In-service CDG projects, whether volumetric, monetary, Value Stack, or Net Crediting, are eligible to opt into RC and vice versa subject to the rules set forth in paragraph (E) of the Remote Net Metering, Remote Crediting, and Community Distributed Generation Section of this Rider and in the Commission's July 14, 2022 *Order Approving Remote Crediting Banking Rules and Addressing Switching Between Community Distributed Generation and Remote Crediting Programs*, in Case 15-E-0751.
- (11) Applications for RC must include an initial allocation request, in a format acceptable by the Company and pursuant to the Remote Net Metering, Remote Crediting, and Community Distributed Generation Section of this Rider.
- (12) Transfer of Ownership within the same Remote Crediting compensation mechanism does not constitute a Remote Crediting Host Account Closure. The Remote Crediting Host's banked credits will not be forfeited, and the Company will transfer banked credits to the new account under the new owner. Remote Crediting Satellite banked credits will be transferred to new Remote Crediting Host Account for future allocation to Remote Crediting Satellites by new owner. Any Remote Crediting project that completed a Transfer of Ownership within the Remote Crediting program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

**REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)**

(C) Community Distributed Generation (Continued)

(2) Requirements of CDG Hosts (Continued)

A CDG Host that provides a customer's name and account number to the Company (and such other information as the Company may require if it is unable to verify the customer's account based on the information provided), as described in the Company's CDG Program Procedural Requirements, is certifying that it has written authorization from the customer to request and receive that customer's historical usage information and, upon enrolling a CDG Satellite Account, that it has entered into a written contract with such customer. The Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellite, including contractual terms, pricing, dispute resolution, and contract termination.

The Company's CDG Program Procedural Requirements and CDG Net Crediting Manual detail the format and requirements for CDG submissions. Additionally, the Company's CDG Program Procedural Requirements and UBP-DERS sets forth consumer protections required of CDG Hosts. A CDG Host may not request termination or suspension of electric service to a CDG Satellite Account.

Service under this Rider will terminate if a CDG Host is no longer eligible, if the CDG Host withdraws from CDG participation, or if the Company terminates service to the CDG Host Account. In such cases, the Account Closure provisions outlined in paragraph (G) of the Billing Section – Grandfathered Net Metering and Phase One NEM and paragraph (E) of the Billing Section – Value Stack Tariff of this Rider shall apply.

Transfer of Ownership within the same CDG compensation mechanism does not constitute a CDG Host Account Closure. The CDG Host's banked credits will not be forfeited, and the Company will transfer CDG Host banked credits to the new account under the new owner. CDG Satellite banked credits will be transferred to new CDG Host Account for future allocation to CDG Satellites by new owner. Any CDG project that completed a Transfer of Ownership within the CDG program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

**REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)**

(C) Community Distributed Generation (Continued)

(3) Allocation of Generator's Output (Continued)

(g) Annual CDG Host Banked Credit Allocation (Continued)

The CDG Host Account may retain, for up to two years, measured from the end of an annual period in which credits were added to the CDG Host Banked Credit, any undistributed credit that remains after the Annual CDG Credit or Annual Value Stack CDG Credit is distributed to the CDG Satellite Accounts, provided that the CDG Host, in its instructions for allocating the Annual CDG Credit or Annual Value Stack CDG Credit, allocated credits to each CDG Satellite Account equal to no less than the CDG Satellite Account's total kWh usage in the final month of the annual period, if the CDG Host Account is billed under Grandfathered Net Metering or Phase One NEM for energy-only, or no less than the CDG Satellite Account's monthly electric charges in the final month of the annual period, if the CDG Host Account is demand-billed or served under the Value Stack Tariff. At the end of the two-year period, the CDG Host Account will forfeit credits (i.e., (1) kWh credits if the CDG Host Account is billed under Grandfathered Net Metering or Phase One NEM for energy-only; or (2) monetary credits if the CDG Host Account is demand-billed or served under the Value Stack Tariff) equal to the smallest number of credits in its account at any point during the two-year period.

(D) CDG Net Crediting Program

CDG Hosts either served under the Value Stack Tariff or who allocate volumetric credits to CDG Satellite Accounts can enroll in the CDG Net Crediting Program under this Rider in conformance with the CDG Net Crediting Manual and by executing a CDG Net Crediting Agreement with the Company, at least 60 days prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under this Rider and the CDG Net Crediting Manual. Applications from CDG Hosts served under the Value Stack Tariff for the CDG Net Crediting Program will be accepted by the Company commencing on April 1, 2021. Applications from CDG Hosts that allocate volumetric credits to CDG Satellite Accounts will be accepted by the Company commencing on January 1, 2025.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

**REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)**

(D) CDG Net Crediting Program (Continued)

The CDG Host enrollment information includes the CDG Savings Rate for the project, which is the percentage of the compensation applied to the project's CDG Satellite accounts, excluding an Anchor Satellite, if applicable. The CDG Savings Rate may not be less than five percent and may not exceed 100 percent less the Utility Administration Fee, as specified in paragraph (D)(3) of this Section. The CDG Savings Rate will be applicable to all CDG Satellites designated by the CDG Host pursuant to paragraph (C)(3) of this Section, except for an Anchor Satellite, if applicable, as specified in paragraph (D)(5) of this Section.

The CDG Host will provide the Company the percentage of the CDG Host's net energy output to be allocated to each CDG Satellite pursuant to paragraph (C)(3) of this Section. A CDG Host's enrollment in the CDG Net Crediting Program represents the enrollment of all its CDG Satellites, except for an Anchor Satellite, if applicable. The CDG Host may modify its CDG Savings Rate in accordance with the CDG Net Crediting Manual no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.

CDG Hosts will be required to follow the requirements provided in the Company's CDG Net Crediting Manual, which may be modified from time to time.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

**REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)**

(D) CDG Net Crediting Program (Continued)

As described below, the Company will facilitate crediting the CDG Satellite's bills and retaining, from the same CDG Satellites, CDG Subscription Fees (from which the Company will pay the CDG host), resulting in Net Member Credits to the CDG Satellites.

(1) Determination of CDG Satellite's Net Member Credits for Value Stack CDG Projects

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's bill based on the CDG Host's net injections and associated Value Stack Compensation, as determined in accordance with the Billing – Value Stack Tariff Section of this Rider, for each applicable billing period, with modifications as follows. Net Member Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credit, which is defined as the minimum of:

(i) the Total Available Credit, determined as the sum of (a) the CDG Host's Value Stack Compensation for the applicable billing period as calculated in conformance with the Billing – Value Stack Tariff Section of this Rider, allocated by the CDG Host to the CDG Satellite in accordance with the CDG Satellite's Allocation Percentage; (b) any Value Stack credits that have been carried forward from the CDG Satellite's preceding billing periods, pursuant to paragraph (C)(7)(c) of the Billing – Value Stack Tariff Section of this Rider; and (c) any Value Stack credits allocated from a CDG Host's Banked Monetary Credit (pursuant to paragraph (C)(3) of the Remote Net Metering, Remote Crediting, and Community Distributed Generation Section of this Rider); and

(ii) the CDG Satellite's current electric bill for the applicable billing period.

If the Total Available Credit exceeds the CDG Satellite's current electric bill for the applicable billing period, the amount above the CDG Satellite's current electric bill will be banked on the CDG Satellite's account for use in the CDG Satellite's subsequent billing month's Total Available Credit. All provisions relating to the CDG Host Banked Credit relating to any credits that have been carried forward from a CDG Satellite Account's preceding billing periods pursuant to the Billing – Value Stack Tariff Section of this Rider shall be extended to CDG Net Crediting projects.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

**REMOTE NET METERING, REMOTE CREDITING AND COMMUNITY DISTRIBUTED GENERATION
(Continued)**

(D) CDG Net Crediting Program (Continued)

- (1) Determination of CDG Satellite's Net Member Credits for Value Stack CDG Projects
(Continued)**

The CDG Host and CDG Satellite may make their own agreements for any further payments between the CDG Satellite and the CDG Host, provided the Satellite is not a Mass Market Customer.

- (2) Determination of CDG Satellite's Net Member Credits for Volumetric CDG Projects**

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's bill based on the CDG Host's net injections for each applicable billing period, with modifications as follows.

Net Member Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credits defined as the difference between (1) the Satellite's electric bill amount due based on billed kWh and (2) the Satellite's electric bill amount due calculated with the CDG applied kWh.

The Total Available Volumetric Credit for each volumetric CDG Satellite shall be determined as the sum of (i) the CDG Host's total kWh injections for the applicable billing period, multiplied by the CDG Satellite's allocation percentage, as described in paragraph (C)(3) of the Remote Net Metering, Remote Crediting and Community Distributed Generation Section of this Rider; and (ii) any retained volumetric credits that have been banked or re-allocated to the CDG Satellite's account.

Any remaining Total Available kWh Volumetric Credit that has not been used to credit the CDG Satellite's current electric utility bill for the applicable billing period will be banked on the CDG Satellite's account for future use. All provisions of the CDG program relating to banked credits shall be extended to Volumetric CDG Net Crediting projects.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

**REMOTE NET METERING, REMOTE CREDITING AND COMMUNITY DISTRIBUTED GENERATION
(Continued)**

(D) CDG Net Crediting Program (Continued)

(3) Determination of CDG Host Payment

The Company will calculate the CDG Host Payment each month and remit it to the CDG Host as a payment in the month following distribution of the Net Member Credits to the CDG Satellites. The CDG Host and the Company will follow the terms of the CDG Net Crediting Agreement and the CDG Net Crediting Manual.

The CDG Host Payment will be the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable period less the Utility Administrative Fee. The CDG Subscription Fee for each CDG Satellite will be determined by subtracting the Net Member Credit from the Applied Credit. The Utility Administrative Fee is a percentage of the sum of the CDG Subscription Fees and Net Member Credits, as determined in accordance with sections (D)(1) and (D)(2) above, for the applicable billing period. The Utility Administrative Fee will be retained by the Company to support implementation and operation costs of the program. The Utility Administrative Fee percentage will be set forth on the Value Stack Credits Statement.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

**REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)**

(D) CDG Net Crediting Program (Continued)

(4) Unenrollment

CDG Hosts may unenroll from the CDG Net Crediting Program with 30 days' notice, in a manner pursuant to the CDG Net Crediting Manual. A CDG Host that has previously unenrolled from the CDG Net Crediting Program may re-enroll after at least 12 months from when they were removed.

(5) Anchor Satellite

The CDG Host may choose to designate one large CDG Satellite to be an Anchor Satellite. The selection of an Anchor Satellite must be made pursuant to the CDG Net Crediting Manual. The Anchor Satellite will be subject to the crediting rules for CDG Satellites as outlined in (C)(6) in the Billing – Grandfathered Net Metering and Phase One NEM and (C)(7) in the Billing – Value Stack Tariff Sections of this Rider.

(E) Switching Between Community Distributed Generation and Remote Crediting

A customer that is a CDG Host Account or RC Host Account shall be provided a one-time irrevocable option to switch from the CDG Program (including Net Crediting) to the RC Program, or vice-versa. Such CDG Host Account or RC Host Account shall provide the Company with notice of its intent to switch programs and submit a completed switching certification form within at least 60 calendar days of the new project's first account billing date or within 45 calendar days of the existing project's last Host Account billing date. The switching certification must affirm that all of the project's Satellite Accounts have been notified of program changes and that the Host has notified NYSERDA of its intent to switch from CDG to Remote Crediting or vice versa. Within five business days, the Company will review the switching certification and new Host Account allocation forms and notify the Host Account via electronic mail of any rejected accounts and the reason for the rejection. The Host Account shall respond via electronic mail and notify the Company of the notification receipt date for the record. In the case of rejected accounts, within five calendar days of notification, the Host Account shall either resubmit a revised Host Account allocation form or confirm that the Company should move forward with the original allocation form with the rejected accounts removed, via electronic mail. Additional rules for the six-step process

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)

(B) Remote Crediting ("RC") (Continued)

- (8) Non-Value Stack RNM projects that opt into the Value Stack must adhere to the rules and requirements of Remote Crediting. Customers served under Grandfathered Net Metering or Phase One NEM must forfeit any remaining kWh credits prior to their enrollment in Remote Crediting.
- (9) RC Satellite Accounts are not permitted to participate in RNM, CDG, or be an RC Host Account. RC Host Accounts are not permitted to participate as an RC Satellite Account in another RC project or as an RNM Satellite Account.
- (10) In-service CDG projects, whether volumetric, monetary, Value Stack, or Net Crediting, are eligible to opt into RC and vice versa subject to the rules set forth in paragraph (E) of the Remote Net Metering, Remote Crediting, and Community Distributed Generation Section of this Rider and in the Commission's July 14, 2022 *Order Approving Remote Crediting Banking Rules and Addressing Switching Between Community Distributed Generation and Remote Crediting Programs*, in Case 15-E-0751.
- (11) Applications for RC must include an initial allocation request, in a format acceptable by the Company and pursuant to the Remote Net Metering, Remote Crediting, and Community Distributed Generation Section of this Rider.
- (12) Transfer of Ownership within the same Remote Crediting compensation mechanism does not constitute a Remote Crediting Host Account Closure. The Remote Crediting Host's banked credits will not be forfeited, and the Company will transfer banked credits to the new account under the new owner. Remote Crediting Satellite banked credits will be transferred to new Remote Crediting Host Account for future allocation to Remote Crediting Satellites by new owner. Any Remote Crediting project that completed a Transfer of Ownership within the Remote Crediting program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)

(C) Community Distributed Generation (Continued)

(2) Requirements of CDG Hosts (Continued)

A CDG Host that provides a customer's name and account number to the Company (and such other information as the Company may require if it is unable to verify the customer's account based on the information provided), as described in the Company's CDG Program Procedural Requirements, is certifying that it has written authorization from the customer to request and receive that customer's historical usage information and, upon enrolling a CDG Satellite Account, that it has entered into a written contract with such customer. The Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellite, including contractual terms, pricing, dispute resolution, and contract termination.

The Company's CDG Program Procedural Requirements and CDG Net Crediting Manual detail the format and requirements for CDG submissions. Additionally, the Company's CDG Program Procedural Requirements and UBP-DERS sets forth consumer protections required of CDG Hosts. A CDG Host may not request termination or suspension of electric service to a CDG Satellite Account.

Service under this Rider will terminate if a CDG Host is no longer eligible, if the CDG Host withdraws from CDG participation, or if the Company terminates service to the CDG Host Account. In such cases, the Account Closure provisions outlined in paragraph (G) of the Billing Section – Grandfathered Net Metering and Phase One NEM and paragraph (E) of the Billing Section – Value Stack Tariff of this Rider shall apply.

Transfer of Ownership within the same CDG compensation mechanism does not constitute a CDG Host Account Closure. The CDG Host's banked credits will not be forfeited, and the Company will transfer CDG Host banked credits to the new account under the new owner. CDG Satellite banked credits will be transferred to new CDG Host Account for future allocation to CDG Satellites by new owner. Any CDG project that completed a Transfer of Ownership within the CDG program shall retain the original compensation term and the start date of such term will be based on the project's original interconnection date.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)

(C) Community Distributed Generation (Continued)

(3) Allocation of Generator's Output (Continued)

(g) Annual CDG Host Banked Credit Allocation (Continued)

The CDG Host Account may retain, for up to two years, measured from the end of an annual period in which credits were added to the CDG Host Banked Credit, any undistributed credit that remains after the Annual CDG Credit or Annual Value Stack CDG Credit is distributed to the CDG Satellite Accounts, provided that the CDG Host, in its instructions for allocating the Annual CDG Credit or Annual Value Stack CDG Credit, allocated credits to each CDG Satellite Account equal to no less than the CDG Satellite Account's total kWh usage in the final month of the annual period, if the CDG Host Account is billed under Grandfathered Net Metering or Phase One NEM for energy-only, or no less than the CDG Satellite Account's monthly electric charges in the final month of the annual period, if the CDG Host Account is demand-billed or served under the Value Stack Tariff. At the end of the two-year period, the CDG Host Account will forfeit credits (i.e., (1) kWh credits if the CDG Host Account is billed under Grandfathered Net Metering or Phase One NEM for energy-only; or (2) monetary credits if the CDG Host Account is demand-billed or served under the Value Stack Tariff) equal to the smallest number of credits in its account at any point during the two-year period.

(D) CDG Net Crediting Program

CDG Hosts either served under the Value Stack Tariff or who allocate volumetric credits to CDG Satellite Accounts can enroll in the CDG Net Crediting Program under this Rider in conformance with the CDG Net Crediting Manual and by executing a CDG Net Crediting Agreement with the Company, at least 60 days prior to commencing participation in the CDG Net Crediting Program, in addition to any other forms and registrations required under this Rider and the CDG Net Crediting Manual. Applications from CDG Hosts served under the Value Stack Tariff for the CDG Net Crediting Program will be accepted by the Company commencing on April 1, 2021. Applications from CDG Hosts that allocate volumetric credits to CDG Satellite Accounts will be accepted by the Company commencing on January 1, 2025.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)

(D) CDG Net Crediting Program (Continued)

The CDG Host enrollment information includes the CDG Savings Rate for the project, which is the percentage of the ~~Value Stack~~ compensation applied to the project's CDG Satellite accounts, excluding an Anchor Satellite, if applicable. The CDG Savings Rate may not be less than five percent and may not exceed 100 percent less the Utility Administration Fee, as specified in paragraph (D)(23) of this Section. The CDG Savings Rate will be applicable to all CDG Satellites designated by the CDG Host pursuant to paragraph (C)(3) of this Section, except for an Anchor Satellite, if applicable, as specified in paragraph (D)(45) of this Section.

The CDG Host will provide the Company the percentage of the CDG Host's net energy output to be allocated to each CDG Satellite pursuant to paragraph (C)(3) of this Section. A CDG Host's enrollment in the CDG Net Crediting Program represents the enrollment of all its CDG Satellites, except for an Anchor Satellite, if applicable. The CDG Host may modify its CDG Savings Rate in accordance with the CDG Net Crediting Manual no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.

CDG Hosts will be required to follow the requirements provided in the Company's CDG Net Crediting Manual, which may be modified from time to time.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

**REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)**

(D) CDG Net Crediting Program (Continued)

As described below, the Company will facilitate crediting the CDG Satellite's bills and retaining, from the same CDG Satellites, CDG Subscription Fees (from which the Company will pay the CDG host), resulting in Net Member Credits to the CDG Satellites.

(1) Determination of CDG Satellite's Net Member Credits for Value Stack CDG Projects

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's bill based on the CDG Host's net injections and associated Value Stack Compensation, as determined in accordance with the Billing – Value Stack Tariff Section of this Rider, for each applicable billing period, with modifications as follows. Net Member Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credit, which is defined as the minimum of:

(i) the Total Available Credit, determined as the sum of (a) the CDG Host's Value Stack Compensation for the applicable billing period as calculated in conformance with the Billing – Value Stack Tariff Section of this Rider, allocated by the CDG Host to the CDG Satellite in accordance with the CDG Satellite's Allocation Percentage; (b) any Value Stack credits that have been carried forward from the CDG Satellite's preceding billing periods, pursuant to paragraph (C)(7)(c) of the Billing – Value Stack Tariff Section of this Rider; and (c) any Value Stack credits allocated from a CDG Host's Banked Monetary Credit (pursuant to paragraph (C)(3) of the Remote Net Metering, Remote Crediting, and Community Distributed Generation Section of this Rider); and

(ii) the CDG Satellite's current electric bill for the applicable billing period.

If the Total Available Credit exceeds the CDG Satellite's current electric bill for the applicable billing period, the amount above the CDG Satellite's current electric bill will be banked on the CDG Satellite's account for use in the CDG Satellite's subsequent billing month's Total Available Credit. All provisions relating to the CDG Host Banked Credit relating to any credits that have been carried forward from a CDG Satellite Account's preceding billing periods pursuant to the Billing – Value Stack Tariff Section of this Rider shall be extended to CDG Net Crediting projects.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

REMOTE NET METERING, REMOTE CREDITING AND COMMUNITY DISTRIBUTED GENERATION
(Continued)

(D) CDG Net Crediting Program (Continued)

- (1) Determination of CDG Satellite's Net Member Credits for Value Stack CDG Projects
(Continued)

The CDG Host and CDG Satellite may make their own agreements for any further payments between the CDG Satellite and the CDG Host, provided the Satellite is not a Mass Market Customer.

- (2) Determination of CDG Satellite's Net Member Credits for Volumetric CDG Projects

The Company will calculate and apply a Net Member Credit to the participating CDG Satellite's bill based on the CDG Host's net injections for each applicable billing period, with modifications as follows.

Net Member Credits shall be determined as the CDG Savings Rate multiplied by the Applied Credits defined as the difference between (1) the Satellite's electric bill amount due based on billed kWh and (2) the Satellite's electric bill amount due calculated with the CDG applied kWh.

The Total Available Volumetric Credit for each volumetric CDG Satellite shall be determined as the sum of (i) the CDG Host's total kWh injections for the applicable billing period, multiplied by the CDG Satellite's allocation percentage, as described in paragraph (C)(3) of the Remote Net Metering, Remote Crediting and Community Distributed Generation Section of this Rider; and (ii) any retained volumetric credits that have been banked or re-allocated to the CDG Satellite's account.

Any remaining Total Available kWh Volumetric Credit that has not been used to credit the CDG Satellite's current electric utility bill for the applicable billing period will be banked on the CDG Satellite's account for future use. All provisions of the CDG program relating to banked credits shall be extended to Volumetric CDG Net Crediting projects.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

**REMOTE NET METERING, REMOTE CREDITING AND COMMUNITY DISTRIBUTED GENERATION
(Continued)**

(D) CDG Net Crediting Program (Continued)

(23) Determination of CDG Host Payment

The Company will calculate the CDG Host Payment each month and remit it to the CDG Host as a payment in the month following distribution of the Net Member Credits to the CDG Satellites. The CDG Host and the Company will follow the terms of the CDG Net Crediting Agreement and the CDG Net Crediting Manual.

The CDG Host Payment will be the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable period less the Utility Administrative Fee. The CDG Subscription Fee for each CDG Satellite will be determined by subtracting the Net Member Credit from the Applied Credit. The Utility Administrative Fee is a percentage of the sum of the CDG Subscription Fees and Net Member Credits, as determined in accordance with sections (D)(1) and (D)(2) above, for the applicable billing period. The Utility Administrative Fee will be retained by the Company to support implementation and operation costs of the program. The Utility Administrative Fee percentage will be set forth on the Value Stack Credits Statement.

GENERAL INFORMATION

13. SERVICE CLASSIFICATION RIDERS (Continued)

RIDER N (Continued)

NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS

REMOTE NET METERING, REMOTE CREDITING, AND COMMUNITY DISTRIBUTED GENERATION
(Continued)

(D) CDG Net Crediting Program (Continued)

(34) Unenrollment

CDG Hosts may unenroll from the CDG Net Crediting Program with 30 days' notice, in a manner pursuant to the CDG Net Crediting Manual. A CDG Host that has previously unenrolled from the CDG Net Crediting Program may re-enroll after at least 12 months from when they were removed.

(45) Anchor Satellite

The CDG Host may choose to designate one large CDG Satellite to be an Anchor Satellite. The selection of an Anchor Satellite must be made pursuant to the CDG Net Crediting Manual. The Anchor Satellite will be subject to the crediting rules for CDG Satellites as outlined in (C)(6) in the Billing – Grandfathered Net Metering and Phase One NEM and (C)(7) in the Billing – Value Stack Tariff Sections of this Rider.

(E) Switching Between Community Distributed Generation and Remote Crediting

A customer that is a CDG Host Account or RC Host Account shall be provided a one-time irrevocable option to switch from the CDG Program (including Net Crediting) to the RC Program, or vice-versa. Such CDG Host Account or RC Host Account shall provide the Company with notice of its intent to switch programs and submit a completed switching certification form within at least 60 calendar days of the new project's first account billing date or within 45 calendar days of the existing project's last Host Account billing date. The switching certification must affirm that all of the project's Satellite Accounts have been notified of program changes and that the Host has notified NYSERDA of its intent to switch from CDG to Remote Crediting or vice versa. Within five business days, the Company will review the switching certification and new Host Account allocation forms and notify the Host Account via electronic mail of any rejected accounts and the reason for the rejection. The Host Account shall respond via electronic mail and notify the Company of the notification receipt date for the record. In the case of rejected accounts, within five calendar days of notification, the Host Account shall either resubmit a revised Host Account allocation form or confirm that the Company should move forward with the original allocation form with the rejected accounts removed, via electronic mail. Additional rules for the six-step process

Appendix B – Net Crediting Agreement

**Community Distributed Generation Net Crediting Agreement
for [CDG Project Name and Identification Number]**

This Agreement ("Agreement") is effective as of the Effective Date as defined in Section 2 below, between _____ (the "Utility" or "[NAME]"), a [state] [type of legal entity] with a principal place of business at _____ and _____, a community distributed generation ("CDG") sponsor (the "CDG Sponsor" or "Sponsor"), a [state] [type of legal entity] with a principal place of business at _____. The Utility and the CDG Sponsor are also individually referred to herein as a "Party" or collectively as "Parties."

Whereas, the CDG Sponsor is a Distributed Energy Resources ("DER") provider registered with the Commission with a CDG project located at _____, and identified by the Utility as _____ (the "CDG Project");

Whereas, the New York State Public Service Commission ("Commission") first authorized CDG in its July 17, 2015 Order Establishing a Community Distributed Generation Program and Making Other Findings in Case 15-E-0082 to enable a broader community participation in renewable programs;

Whereas, the Commission subsequently issued its March 9, 2017 *Order on Net Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* ("VDER Transition Order") in Case 15-E-0751 which in part provided for modifications to the compensation of DERs by creating the Value Stack compensation mechanism for eligible DERs, including CDG projects;

Whereas, the Commission's September 14, 2017 *Order on Phase One Value of Distributed Energy Resources Implementation Proposals, Cost Mitigation Issues, and Related Matters* in Case 15-E-0751 directed electric utilities subject to the Commission's jurisdiction to submit tariffs based on the Value Stack compensation mechanism developed in the VDER Transition Order;

Whereas, under the original CDG construct: the CDG Sponsor enters into a contractual arrangement with the Utility's electric customers to participate in a CDG project pursuant to which the participating customers ("Satellites") are billed monthly subscription fees by the CDG Sponsor for their participation in the CDG Sponsor's CDG project per the terms of the contractual arrangement and the Utility calculates and distributes the CDG credits to each Satellite on the Satellite's electric utility bill, allocated as directed by the CDG Sponsor for the CDG project.

Whereas, on June 18, 2019, the Commission issued its *Notice Seeking Comments Regarding Consolidating Billing for Community Distributed Generation* in Case 19-M-0436, seeking input on modifying the existing CDG construct so that the CDG Sponsor would not have to separately bill the Satellites for the monthly subscription fees for a CDG project;

Whereas, the Commission's December 12, 2019 *Order Regarding Consolidated Billing for Community Distributed Generation* ("CDG Net Crediting Order") in Case 19-M-0463 adopted a net crediting model whereby the Utility is to calculate the participating CDG Satellites' credits for the CDG Sponsor's CDG project, remit a percentage of the value of such credits to the CDG Sponsor, less the Utility Administrative Fee retained by the Utility, and provide the remaining credit value on the CDG Satellites' electric utility bills ("Net Crediting Program"), thus eliminating the need for the CDG Sponsor to separately bill the participating CDG Satellites for monthly subscription fees;

Whereas, the CDG Sponsor wishes to enroll the CDG Project in the Net Crediting Program of the Utility;

Whereas, the CDG Sponsor attests that it has entered into valid, fully executed contracts ("Net Crediting Subscription Contracts") with CDG Satellites who are the Utility's electric customers for participation in the Net Crediting Program;

Whereas, the Net Crediting Order directs electric utilities to offer the Net Crediting Model for all CDG projects, both new and existing, incorporating both those existing CDG projects receiving Value Stack compensation as well as those receiving Volumetric credits;

Whereas, the Utility has established a billing process to permit the Utility to calculate the total value of the CDG Satellites' Credits from the CDG Sponsor's project, remit a percentage of the value of such credits to the CDG Sponsor (less the Utility Administrative Fee retained by the Utility), and provide the remaining value of such credits on the CDG Satellites' electric utility bills, allocated as directed by the CDG Sponsor; and

Whereas, the Utility has filed tariff leaves with the Commission effectuating the Net Crediting Program per the CDG Net Crediting Order and is willing to implement the Net Crediting Program for the CDG Project, subject to the terms and conditions of this Agreement, and Commission orders.

NOW THEREFORE, the Parties hereto, each in consideration of the Agreement of the other, which the Parties agree is sufficient, do hereby agree as follows:

1. Definitions. Any capitalized terms used in this Agreement shall be defined as set forth below:

- 1.1. CDG Credits** are the credits generated from the CDG Project pursuant to [Rider/Rule/etc.] of the Electricity Tariff.
- 1.2. CDG Sponsor** is the entity that organizes, owns, and/or operates a CDG project and may be identified as the “CDG Host” in some Utility tariffs. A CDG Sponsor may be involved in one or more CDG projects and be otherwise engaged in soliciting customers, members, or subscribers for a CDG project or CDG projects, through its own employees or agents, on its own behalf; however, each CDG project participating in Net Crediting will have a unique Net Crediting Agreement. A CDG Sponsor must be registered with the Commission consistent with the Uniform Business Practices for Distributed Energy Resource Suppliers (UBP-DERS). The CDG Sponsor is the entity with which the Utility has an interconnection agreement for the CDG Project and that has a utility billing account for the CDG Project.
- 1.3. CDG Sponsor Payment** is the payment from the Utility to the CDG Sponsor representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Utility.
- 1.4. CDG Satellite** is an electric customer of the Utility who is participating in the CDG Project.
- 1.5. CDG Savings Rate** is the rate used to calculate the value of the CDG Project’s CDG Credits that will be provided by the Utility on CDG Satellites’ electric utility accounts, allocated as directed by the CDG Sponsor, where such rate shall not be less than 5 percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Customer, if applicable.
- 1.6. CDG Subscription Fee** is the value of the CDG Project’s CDG Credits calculated pursuant to [Rule/Rider/etc.] of the Electricity Tariff by the Utility and provided to the CDG Sponsor.
- 1.7. Commission** is the New York State Public Service Commission.
- 1.8. Confidential Information** is as defined in Sections 9.1 and 9.2 of this Agreement.
- 1.9. Electricity Tariff** is the Utility’s effective P.S.C. No. [XXX], Schedule for Electricity

Service [_____ identify _____]
approved by the Commission which may be amended or succeeded from time to time.

- 1.10. Excluded Anchor Customer** is a demand-billed, non-mass market Utility electric customer with demand greater than or equal to 25kW that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Sponsor identifies as being excluded from the Net Crediting Program. If the CDG Sponsor notifies the Utility that the CDG Project has an Excluded Anchor Customer, the Utility will not apply the CDG Savings Rate to the calculation of credits to the Excluded Anchor Customer. Only one Excluded Anchor Customer may be excluded from the Net Crediting Program per CDG Project.
- 1.11. Net Crediting Program** is the Utility's CDG program as implemented pursuant to the Net Crediting Order where the Utility applies a portion of the CDG Credits to the CDG Satellites' electric utility accounts and remits the remainder to the CDG Sponsor, less the Utility Administrative Fee.
- 1.12. Net Crediting Manual** is the Utility's detailed guide for implementing the Net Crediting Program. The Net Crediting Manual is maintained by the Utility.
- 1.13. Net Crediting Subscription Contract** is the agreement between the CDG Sponsor and each CDG Satellite participating in the Net Crediting Model.
- 1.14. Net Member Credits** are the resulting credits on the CDG Satellite's electric utility account calculated pursuant to Rule ____ of the Electricity Tariff, based on the CDG Credits, the applicable CDG Savings Rate, the CDG Satellite's Allocation Percentages, the CDG Satellite's monthly retail charges, and the CDG Satellite's banked credits, including any banked credits allocated from the CDG Sponsor.
- 1.15. Representative** means any contractor, subcontractor, CDG Satellite, or other entity to which Confidential Information may be transferred under this Agreement.
- 1.16. Utility Administrative Fee** is the amount of the monthly value of the CDG Credits that the Utility will retain, as approved by the Commission.
- 2. Effective Date.** This Agreement shall be effective upon execution by the last Party to sign with the Utility's date to commence the Net Crediting Program to be as specified in the Net Crediting Manual.
- 3. Term/Termination**
- 3.1.** This Agreement shall remain in effect until terminated (i) in accordance with its terms or (ii) by an order of the Commission, whichever shall occur first.

3.2. Notwithstanding anything to the contrary elsewhere in this Agreement or in the Electricity Tariff, the Utility, by written notice to the CDG Sponsor, may if permitted in a proceeding, terminate this Agreement in whole or in part with respect to the CDG Project or suspend further performance without terminating this Agreement upon the occurrence of any of the following: (a) the CDG Sponsor or CDG Project terminates or suspends doing business, except where such suspension is caused by Force Majeure; (b) the CDG Sponsor or CDG Project becomes subject to any bankruptcy or insolvency proceeding under federal or state law (and which proceeding is not removed or dismissed within sixty (60) days from the filing thereof), or becomes insolvent, becomes subject to the direct control of a transferee, receiver or similar authority in relation to a bankruptcy or insolvency proceeding, or (except as otherwise provided in Section 15.7) makes an assignment for the benefit of creditors; (c) the CDG Sponsor commits a material breach of any of its obligations under this Agreement with respect to the Net Crediting Program and has not cured such breach within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the breach (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days); or (d) the CDG Project is in material violation of the Utility's electric standards, including but not limited to provisions related to interconnection and safety and has not cured such violation within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the violation (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days). Notwithstanding the aforementioned cure provisions or any other provision of this Agreement, the Utility may take immediate actions with respect to the CDG Project interconnection if deemed necessary by the Utility, in its sole discretion, to protect the safety of the public, customers, or employees, or the operation of the electric system.

3.3. The foregoing notwithstanding, the CDG Sponsor may upon written notice to Utility remove the CDG Project from the Net Crediting Program. The CDG Sponsor and the Utility shall follow the process detailed in the Net Crediting Manual for removal of the CDG Project from the Net Crediting Program. The CDG Sponsor shall notify the affected CDG Satellites of the removal of the CDG Project from the Net Crediting Program.

4. Representations.

4.1. The CDG Sponsor represents that it is and shall remain in compliance with all applicable laws, tariffs, regulations, and the Utility's electric standards, safety, and cybersecurity standards with respect to the CDG Project during the term of this

Agreement including the Electricity Tariff.

- 4.2.** Each person executing this Agreement for the respective Parties represents and warrants that he or she has authority to bind that Party.
- 4.3.** Each Party represents that (a) it has the full power and authority to execute, deliver, and perform its obligations under this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.
- 4.4.** The Utility and the CDG Sponsor shall exercise all reasonable care, diligence and good faith in the performance of their duties pursuant to this Agreement and carry out their duties in accordance with applicable recognized professional standards.
- 4.5.** The CDG Sponsor represents that it is registered with the Commission as provided for in the Uniform Business Practices for DER Suppliers ("UBP-DERS") and will abide by all applicable requirements in the UBP-DERS as it may be amended from time to time by the Commission.

5. CDG Sponsor Rights and Responsibilities

- 5.1.** The CDG Sponsor will enroll the CDG Project and CDG Satellites in the Net Crediting Program pursuant to the Net Crediting Manual. When enrolling a CDG project in the Net Crediting Program, CDG Sponsor shall designate one CDG Savings Rate which will be applicable to all CDG Satellites for the CDG Project, with the exception of the Excluded Anchor Customer.
- 5.2.** The CDG Sponsor shall provide the Utility with all information required in the Net Crediting Manual. The CDG Sponsor shall respond promptly (within no more than two (2) business days) to the Utility's requests for Net Crediting Program related data to the extent such data is required for the Utility to perform hereunder.
- 5.3.** The CDG Sponsor shall handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Utility. The Utility will remain responsible for resolving Utility billing-related customer inquiries and complaints.
- 5.4.** The CDG Sponsor shall cooperate with and provide the Utility with necessary documentation relating to any transactions resulting hereunder.

- 5.5.** The CDG Sponsor shall provide timely and accurate information to the Utility regarding participating CDG Satellites and any other information necessary for the Utility to perform hereunder.
- 5.6.** The CDG Sponsor agrees that services rendered by the Utility shall not relieve the CDG Sponsor from any obligation to maintain records or otherwise comply with applicable laws. The CDG Sponsor agrees that it will maintain backup data and files for all information provided to the Utility as protection against loss of such information.
- 5.7.** In the event that the CDG Sponsor receives a CDG Satellite subscription payment directly from the CDG Satellite, in error, the CDG Sponsor shall return such payment to the CDG Satellite.
- 5.8.** The CDG Sponsor is responsible for notifying the Utility of any changes to CDG Satellite allocations in accordance with the rules and guidelines of the CDG Net Crediting Manual.

6. Utility Rights and Responsibilities

- 6.1.** The Utility shall remit the CDG Sponsor Payment to the CDG Sponsor in accordance with the procedures established in the Net Crediting Manual. The CDG Sponsor Payment shall be remitted to CDG Sponsor via Automated Clearing House (ACH), check, or other payment form provided for in the Net Crediting Manual. Such remittance shall be performed at least monthly and shall be completed in a commercially reasonable time frame, and in any event, no later than seventy (70) days after the Utility has applied the CDG Subscription Fee to a CDG Satellite's electric utility bill.
- 6.2.** The Utility shall provide Net Member Credits on CDG Satellite electric utility bills, allocated pursuant to the CDG Sponsor's directive, consistent with the Net Crediting Subscription Contract with each CDG Satellite.
- 6.3.** In no event shall the aggregate value of applied net credits, CDG Subscription Fee and Utility Administrative Fee for a given billing cycle exceed the sum of CDG Credits and available banked credits for that cycle.
- 6.4.** In the event the Utility is required to cancel and rebill from the CDG Sponsor or CDG Satellites, the CDG Sponsor Payment will reflect the effect of those adjustments. If the CDG Project unenrolls from Net Crediting and the resultant CDG Subscription Fees differ from the amount originally paid to the CDG Sponsor, the Utility will invoice/refund the CDG Sponsor for the difference.

- 6.5.** The Utility will provide information to the CDG Sponsor utilizing the format, methods, and timeframes defined in the Net Crediting Manual.
- 6.6.** If the CDG Sponsor identifies an Excluded Anchor Customer in the manner set out in the Net Crediting Manual, the Utility will not apply the CDG Savings Rate to the calculation of the Excluded Anchor Customer's Net Member Credit, and will provide the Excluded Anchor Customer with 100 percent of its allocation of the CDG Credits in accordance with the Net Crediting Manual procedures and Electricity Tariff.
- 6.7.** The Utility shall be responsible for resolving Utility billing-related customer inquiries and complaints. In the case of customer inquiries to the Utility related to the CDG Sponsor, the Utility will promptly provide customers the CDG Sponsor's contact information.
- 6.8.** For CDG Satellites subscribed to budget billing plans, the Utility is responsible for ensuring their Net Member Credits are subtracted from the current amount due rather than the underlying balance.
- 6.9.** The Utility is responsible for updating and implementing CDG Satellite allocation lists as directed by the CDG Sponsor, in accordance with relevant rules and guidelines of the CDG program.
- 6.10.** The Utility shall provide Net Member Credits to the CDG Satellites within two (2) months after the CDG Sponsor's billing cycle except in the case bi-monthly billed accounts in which case the appropriate time period would be (3) months.
- 7. Utility Compensation.** To compensate the Utility for the provision of the Net Crediting Program, the Utility will retain the Utility Administrative Fee, deducted from the CDG Sponsor Payment, as described in the Net Crediting Tariff. The Utility may not retain any Utility Administrative Fee in connection with the Excluded Anchor Customer.
- 8. Taxes.** The Utility is not responsible for assessing or collecting any taxes on payments made to the CDG Sponsor. Nothing in this Agreement shall be construed as imposing upon the Utility the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of the CDG Sponsor.
- 9. Confidential Information**
- 9.1.** Except as otherwise provided herein, the Parties agree not to disclose to any third party and to keep confidential, and to cause their affiliates, officers, directors, members, employees and Representatives not to disclose to any third party and to keep confidential, any and all customer information obtained by either Party from the other relating to this Agreement (including but not limited to, all business-sensitive

and competitive information disclosed by either Party to the other Party, including billing information, issues, or data associated with any customer). Information described in this paragraph 9.1 and described in paragraph 9.2 of this Section 9 is collectively referred to as “Confidential Information.” Each Party will require its affiliates, officers, directors, members, employees, and Representatives to comply with this Agreement and any other agreement regarding the exchange of Confidential Information, including but not limited to the terms and conditions of an applicable Interconnection Agreement, Data Security Agreement, Professional Services Contract, General Contract Conditions, or Non-Disclosure Agreement.

- 9.2.** In addition, each Party acknowledges that all information furnished and identified by the other Party as being confidential or proprietary information, trade secret, confidential commercial information, critical infrastructure, or other information that is confidential pursuant to state, federal or local law, regulation or rule, is and shall remain the sole and exclusive property of such other Party.
- 9.3.** Information and data provided to the Utility by the CDG Sponsor under this Agreement shall be used by the Utility for the purposes of billing, receiving, depositing, posting, processing and remittance of CDG Satellite utility bill credits or for determining the amounts due the CDG Sponsor. Confidential Information may be disclosed by the receiving Party to its employees, agents, consultants and Representatives on a need-to-know basis only.
- 9.4.** The receiving Party is required to destroy Confidential Information within six (6) years from the date received or the date when the information is no longer required for the operation of the Net Crediting Program, whichever occurs last, and thereafter, to destroy such Confidential Information or, at the request of the disclosing Party, return such Confidential Information.
- 9.5.** The confidentiality obligations of this Article do not apply to information which: (i) is already known to the Party free of any restriction at the time it is obtained from the other Party; (ii) is subsequently learned by one Party from an independent third party free of any restriction and without breach of this Agreement; (iii) is or becomes publicly available through no wrongful act of either Party; (iv) is independently developed by one Party without reference to any Confidential Information of the other; (v) is disclosed by one Party to a third party, with the express written permission of the other Party; (vi) is disclosed to the extent required by applicable laws and regulations or by any subpoena or similar legal process (where the disclosing Party must seek confidential treatment from the appropriate court of law or regulator of competent jurisdiction and must inform the non-disclosing Party as soon as practicable to allow the non-disclosing Party to intervene and seek protection of the

Confidential Information); or (vii) is disclosed pursuant to the lawful requirement or formal request of a governmental agency or a party in any regulatory proceeding, provided that if one Party is requested or, in the written opinion of its counsel, legally compelled by a governmental agency or a party in any regulatory proceeding to disclose any Confidential Information of the other Party, such party, to the extent permitted by law, agrees to provide the other Party with prompt written notice of such request so that the other Party has the opportunity to pursue its legal and equitable remedies regarding such potential disclosure. The receiving Party further agrees that if the disclosing Party is not successful in precluding the requesting legal or governmental body from requiring disclosure of the Confidential information, the receiving Party will furnish only that portion of the Confidential Information which, in the written opinion of its counsel, it is legally required to disclose, and will exercise all reasonable efforts to obtain assurances that confidential treatment will be accorded to the Confidential Information.

9.6. Each Party acknowledges and agrees that its breach or threatened breach of this Article may cause the other Party irreparable harm which may not be adequately compensated by monetary damages. Accordingly, in the event of any such breach or threatened breach by either Party, such Party agrees to the granting of equitable relief, including temporary restraining orders or preliminary or permanent injunctions, in addition to any legal remedies to which the other Party may be entitled, without proof of actual damages.

9.7. The provisions of this Article shall survive the expiration or termination of this Agreement.

10. Resolution of Disputes between Utility and CDG Sponsor

10.1. Each Party agrees to attempt to resolve all disputes arising under this Agreement promptly, equitably, and in a good faith manner.

10.2. If the Parties fail to resolve any dispute under this Agreement within ten (10) days after written notice of the dispute, the Parties agree to submit the dispute to mediation by a mutually acceptable mediator, in a mutually convenient location in New York State, in accordance with the then current International Institute for Conflict Prevention & Resolution Procedure, or to mediation by a mediator approved by the Commission. The Parties agree to participate in good faith in the mediation for a period of up to ninety (90) days. If the Parties are not successful in resolving their disputes through mediation, the Parties may then refer the dispute for resolution to the Commission, which shall maintain continuing jurisdiction over this Agreement.

11. Resolution of Disputes between CDG Sponsor and CDG Satellite. The CDG Sponsor will be responsible for resolution of all inquiries and complaints related to the CDG Project in accordance with its Net Crediting Subscription Contract with CDG Satellites. The Utility will refer to the CDG Sponsor all inquiries and complaints initiated by CDG Satellites arising from or relating to the CDG Project or the Net Crediting Subscription Contract.

12. Indemnification

12.1.

The CDG Sponsor shall indemnify, defend, and hold the Utility and its corporate affiliates and their respective officers, directors, trustees, employees, agents, successors, Representatives and assigns harmless from and against any and all loss, liability, damage or expense (including reasonable attorneys' fees), statutory or administrative fines or penalties or claims for injury or damages arising out of the performance of this Agreement or breach thereof by CDG Sponsor, including any claims, demands, causes of action, litigation, suits, proceedings, hearings or investigations (collectively "Claims") by a third party for payments based upon any agreement or understanding alleged to have been made by the third party, directly or indirectly, with CDG Sponsor in connection with any of the transactions contemplated by this Agreement, except to the extent caused by the gross negligence or willful misconduct of Utility.

12.2. The obligations of this Article 12 will survive the expiration, suspension or termination of this Agreement or the Net Crediting Program.

13. Force Majeure

13.1. Neither Party shall be considered in default under this Agreement or responsible in tort, strict liability, contract or other legal theory to the other Party for damages of any description for any interruption or failure of service or deficiency in the quality or quantity of service, or any failure to perform if such failure is caused by factors beyond the Party's reasonable control that by exercise of reasonable diligence the Party is unable to prevent or overcome, including without limitation, storm, flood, lightning, earthquake, explosion, civil disturbance, labor dispute, sabotage, war, insurrection, act of God or the public enemy, action of a court, or public authority ("Force Majeure").

13.2. If any Force Majeure occurs, the Party delayed or unable to perform shall give immediate written notice to the other Party. During the pendency of the Force Majeure, the duties of the Party affected by the Force Majeure conditions shall be abated and shall resume without liability thereafter, provided that an obligation to make payments under this Agreement shall not be excused by the occurrence of an event of Force Majeure.

14. Security Interest. The CDG Sponsor shall, without further consideration and at the CDG

Sponsor's expense, use all commercially reasonable efforts to take or cause to be taken, any action, including the execution and delivery of instruments and documents, reasonably requested by the Utility to establish a first priority perfected security interest in favor of the Utility in the amounts included in CDG Credits related to the CDG Sponsor's provision of subscription services to CDG Satellites from the CDG Project. The failure by the CDG Sponsor to fulfill any obligation of the CDG Sponsor pursuant to this paragraph shall specifically be deemed a breach of a material term or condition of this Agreement. Nothing in this Section 14 will be deemed to provide Utility with any rights to the CDG Sponsor Payment to CDG Sponsor. If an entity providing material financing to a CDG Sponsor requires the Utility to take a subordinate security interest before it will provide financing to the CDG Sponsor, the CDG Sponsor may request the Utility to take a subordinate interest. The Utility's agreement to take a subordinate security interest to the financier will not be unreasonably withheld, delayed, or conditioned. No subordination agreement by the Utility will be effective unless it is in writing and signed by both Parties.

15. Miscellaneous

15.1. Entire Agreement. This Agreement, all Exhibits and attachments hereto and all documents referenced herein, constitute the entire agreement between the Parties and supersedes all other agreements, communications, and representations. Paragraph headings are for convenience only and are not to be construed as part of this Agreement.

15.2. Amendment. Unless otherwise provided herein, no modification of, or supplement to, the terms and provision stated in this Agreement shall be or become effective without the written consent of both Parties. If the Net Crediting Program is suspended by statute or Commission order, this Agreement will be modified in accordance with such statute or order.

15.3. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same document.

15.4. Severability. In the event that any portion or part of this Agreement is deemed invalid, against public policy, void or otherwise unenforceable by a court of law, the validity and enforceability of the remaining portions thereof shall otherwise be fully enforceable.

15.5. Change in Law. To the extent that new mandatory regulatory, legislative or accounting changes, tax law changes, other regulatory policy changes, or other events materially affect the ability of either Party to comply with the provisions of this Agreement, including but not limited to material financial consequence, managerial,

mechanical or technical compliance, the Parties agree to meet and use best efforts to renegotiate the terms and conditions of this Agreement to restore the position of the detrimentally affected Party to a financially neutral position or to be able to meet the managerial, mechanism and technical requirements of compliance. Methods that the Parties may consider to restore the detrimentally affected Party's ability to comply with this Agreement shall include, but not be limited to cost recovery through rates, payment for service by the unaffected Party, technical assistance, or other assistance as may be agreed upon. Renegotiated terms and conditions shall be effective when reduced to writing and signed by both Parties. If the Parties are unable to renegotiate acceptable changes, they may avail themselves of the dispute resolution mechanism set forth in Section 10 of this Agreement, and the existing terms and conditions of this Agreement shall continue to be effective through the conclusion of such dispute resolution mechanism.

15.6. Waiver. No waiver by any Party of any one or more defaults by the other Party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any other present or future default, whether of a like or different character. No delay by either Party in enforcing any of its rights hereunder shall be deemed a waiver of such rights.

15.7. Assignment.

15.7.1. Neither Party may assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld, delayed or conditioned, provided however that the CDG Sponsor has a right to assign (and/or collaterally assign, in connection with a financing transaction) its right to payments to be made by the Utility hereunder. The CDG Sponsor shall provide the Utility with a copy of the document in which the assignment is made or so much of the document as may be necessary to make clear the identity of the parties thereto and the terms of the assignment. The CDG Sponsor hereby waives any claim against the Utility for making payments pursuant to the assignment.

15.7.2. An assignment, transfer or other disposition of the Utility's rights and obligations under this Agreement resulting from or associated with (i) any restructuring of the assets of the Utility or (ii) any acquisition, consolidation, merger or other form of combination of the Utility by, into, or with any person or entity shall not be subject to the prior notice and consent requirements of this sub-article.

15.7.3. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement. Any assignment, transfer or other disposition of

this Agreement, or any rights, duties or obligations hereunder by either Party, except as specifically permitted herein, is in violation of this sub-article and void.

15.8. Subcontracting. Each Party may subcontract all or any portion of the performance to be rendered hereunder without the express approval of the other as to the tasks to be subcontracted and the subcontractor, provided, however that each Party shall be fully responsible for the acts and omissions of its subcontractors and their agents as it is for its own acts and omissions.

15.9. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement. Nothing contained herein shall be deemed to confer any rights or grant any remedies or give any benefit to any third party.

15.10. Relationship of the Parties. This Agreement is not intended, and shall not be construed to create any association, joint venture, agency relationship or partnership between the Parties of to impose any such obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of or otherwise bind the other Party.

15.11. Governing Law. This Agreement is governed by the laws of the State of New York without regard to the doctrines governing choice of law. All disputes arising hereunder shall be brought either before the Commission the state courts of the State of New York, or a federal court located in the State of New York.

15.12. Construction. In the event of any conflict between the provisions of this Agreement and the provisions of the Electricity Tariff, the applicable provisions of the Electricity Tariff shall apply.

15.13. Notices. Except as otherwise provided herein, any notices given under this Agreement shall be in writing and shall be delivered to the recipient Party at the address set forth in Exhibit A, by hand or sent by (a) certified mail, return receipt requested, first class postage prepaid, or (b) nationally recognized courier service. Notices given hereunder shall be deemed to have been given upon receipt or refusal to receive. The address to which such notices shall be given by either Party may be changed by written notice given by such Party to the other Party pursuant to this sub-article.

15.14. Other Remedies. Nothing contained herein shall be construed as a limitation on the right of either Party to pursue any remedy it may have at law or in equity.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

CDG SPONSOR _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

UTILITY _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

EXHIBIT A

All notices and information addressed to the Utility shall be addressed as follows:

All notices and information addressed to the CDG Sponsor shall be addressed as follows:

**Community Distributed Generation Net Crediting Agreement
for [CDG Project Name and Identification Number]**

This Agreement ("Agreement") is effective as of the Effective Date as defined in Section 2 below, made
this _____ day of _____, 20____, e

between _____ (the "Utility" or
"[NAME]"), a [state] [type of legal entity] with a principal place of business at
_____, and
_____, a community distributed
generation ("CDG") sponsor (the "CDG Sponsor" or "Sponsor"), a [state] [type of legal entity]
with a principal place of business at

_____. The Utility and the CDG
Sponsor are also individually referred to herein as a "Party" or collectively as "Parties."

Whereas, the CDG Sponsor is a Distributed Energy Resources ("DER") provider registered with
the Commission with a CDG

project located at _____, and identified by the

Utility as _____ (the "CDG Project");

Whereas, the New York State Public Service Commission ("Commission") first authorized CDG
in its July 17, 2015 Order Establishing a Community Distributed Generation Program and
Making Other Findings in Case 15-E-0082 to enable a broader community participation in
renewable programs;

Whereas, the Commission subsequently issued its March 9, 2017 *Order on Net Metering*
***Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* ("VDER**
Transition Order") in Case 15-E-0751 which in part provided for modifications to the
compensation of ~~Distributed Energy Resources ("DERs")~~ by creating the Value Stack
compensation mechanism for eligible DERs, including CDG projects;

Whereas, the Commission's September 14, 2017 *Order on Phase One Value of Distributed*
***Energy Resources Implementation Proposals, Cost Mitigation Issues, and Related Matters* in**
Case 15-E-0751 directed electric utilities subject to the Commission's jurisdiction to submit
tariffs based on the Value Stack compensation mechanism developed in the VDER Transition
Order;

Whereas, under the original CDG construct: the CDG Sponsor enters into a contractual
arrangement with the Utility's electric customers to participate in a CDG project pursuant to
which the participating customers ("Satellites") are billed monthly subscription fees by the CDG
Sponsor for their participation in the CDG Sponsor's CDG project per the terms of the
contractual arrangement- and the Utility calculates and distributes the CDG credits to each
Satellite on the Satellite's electric utility bill, allocated as directed by the CDG Sponsor for the

CDG project.

Whereas, on June 18, 2019, the Commission issued its *Notice Seeking Comments Regarding Consolidating Billing for Community Distributed Generation* in Case 19-M-0436, seeking input on modifying the existing CDG construct so that the CDG Sponsor would not have to separately bill the Satellites for the monthly subscription fees for a CDG project;

Whereas, the Commission's December 12, 2019 *Order Regarding Consolidated Billing for Community Distributed Generation* ("CDG Net Crediting Order") in Case 19-M-0463 adopted a net crediting model whereby the Utility is to calculate the participating CDG Satellites' credits for the CDG Sponsor's CDG project, remit a percentage of the value of such credits to the CDG Sponsor, less the Utility Administrative Fee retained by the Utility, and provide the remaining credit value on the CDG Satellites' electric utility bills ("Net Crediting Program"), thus eliminating the need for the CDG Sponsor to separately bill the participating CDG Satellites for monthly subscription fees;

~~**Whereas**, the CDG Sponsor is a DER provider registered with the Commission with a CDG project located at _____, and identified by the Utility as _____ (the "CDG Project");~~

Whereas, the CDG Sponsor wishes to enroll the CDG Project in the Net Crediting Program of the Utility;

Whereas, the CDG Sponsor attests that it has entered into valid, fully executed contracts ("Net Crediting Subscription Contracts") with CDG Satellites who are the Utility's electric customers for participation in the Net Crediting Program;

Whereas, the Net Crediting Order directs electric utilities to offer the Net Crediting Model for all CDG projects, both new and existing, incorporating both those existing CDG projects receiving Value Stack compensation as well as those receiving Vvolumetric credits, ~~this Agreement addresses only CDG projects generating Value Stack Credits;~~

Whereas, the Utility has established a billing process to permit the Utility to calculate the total value of the CDG Satellites' ~~Value Stack Credits~~ from the CDG Sponsor's project, remit a percentage of the value of such credits to the CDG Sponsor (less the Utility Administrative Fee retained by the Utility), and provide the remaining value of such credits on the CDG Satellites' electric utility bills, allocated as directed by the CDG Sponsor; and

Whereas, the Utility has filed tariff leaves with the Commission effectuating the Net Crediting Program per the CDG Net Crediting Order and is willing to implement the Net Crediting Program for the CDG Project, subject to the terms and conditions of this Agreement, and Commission orders.

NOW THEREFORE, the Parties hereto, each in consideration of the Agreement of the other, which the Parties agree is sufficient, do hereby agree as follows:

1. Definitions. Any capitalized terms used in this Agreement shall be defined as set forth below:

1.1. CDG Credits are the credits generated from the CDG Project pursuant to [Rider/Rule/etc.] of the Electricity Tariff.

1.1.1.2. CDG Sponsor is the entity that organizes, owns, and/or operates a CDG project and may be identified as the “CDG Host” in some Utility tariffs. A CDG Sponsor may be involved in one or more CDG projects and be otherwise engaged in soliciting customers, members, or subscribers for a CDG project or CDG projects, through its own employees or agents, on its own behalf; however, each CDG project participating in Net Crediting will have a unique Net Crediting Agreement. A CDG Sponsor must be registered with the Commission consistent with the Uniform Business Practices for Distributed Energy Resource Suppliers (UBP-DERS). The CDG Sponsor is the entity with which the Utility has an interconnection agreement for the CDG Project and that has a utility billing account for the CDG Project.

1.2.1.3. CDG Sponsor Payment is the payment from the Utility to the CDG Sponsor representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Utility.

1.3.1.4. CDG Satellite is an electric customer of the Utility who is participating in the CDG Project.

1.4.1.5. CDG Savings Rate is the rate used to calculate the value of the CDG Project’s ~~monthly Value Stack~~CDG Credits that will be provided by the Utility on CDG Satellites’ electric utility accounts, allocated as directed by the CDG Sponsor, where such rate shall not be less than 5 percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Customer, if applicable.

1.5.1.6. CDG Subscription Fee is the value of the CDG Project’s ~~monthly Value Stack~~CDG Credits calculated pursuant to [Rule/Rider/etc.] of the Electricity Tariff by the Utility and provided to the CDG Sponsor.

1.6.1.7. 1.6. Commission is the New York State Public Service Commission.

1.7.1.8. 1.7. Confidential Information is as defined in Sections 9.1 and 9.2 of this Agreement.

1.8.1.9. Electricity Tariff is the Utility's effective P.S.C. No. [XXX], Schedule for Electricity Service [_____ identify _____] approved by the Commission which may be amended or succeeded from time to time.

1.9.1.10. Excluded Anchor Customer is a demand-billed, non-mass market Utility electric customer with demand greater than or equal to 25kW that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Sponsor identifies as being excluded from the Net Crediting Program. If the CDG Sponsor notifies the Utility that the CDG Project has an Excluded Anchor Customer, the Utility will not apply the CDG Savings Rate to the calculation of credits to the Excluded Anchor Customer. Only one Excluded Anchor Customer may be excluded from the Net Crediting Program per CDG Project.

1.10.1.11. Net Crediting Program is the Utility's CDG program as implemented pursuant to the Net Crediting Order where the Utility applies a portion of the CDG Credits to the CDG Satellites' electric utility accounts and remits the remainder to the CDG Sponsor, less the Utility Administrative Fee.

1.11.1.12. Net Crediting Manual is the Utility's detailed guide for implementing the Net Crediting Program. The Net Crediting Manual is maintained by the Utility.

1.12.1.13. Net Crediting Subscription Contract is the agreement between the CDG Sponsor and each CDG Satellite participating in the Net Crediting Model.

1.13.1.14. Net Member Credits are the resulting credits on the CDG Satellite's electric utility account calculated pursuant to Rule ____ of the Electricity Tariff, based on the CDG ~~Project's monthly Value Stack~~ Credits, the applicable CDG Savings Rate, the CDG Satellite's Allocation Percentages, the CDG Satellite's monthly retail charges, and the CDG Satellite's banked credits, including any banked credits allocated from the CDG Sponsor.

1.14.1.15. Representative means any contractor, subcontractor, CDG Satellite, or other entity to which Confidential Information may be transferred under this Agreement.

1.15. Utility Administrative Fee is the amount of the monthly value of the CDG ~~Project's~~ **1.16. Value Stack** Credits that the Utility will retain, as approved by the Commission.

2. Effective Date. This Agreement shall be effective upon execution by the last Party to sign with the Utility's date to commence the Net Crediting Program to be as specified in the Net Crediting Manual.

3. Term/Termination

- 3.1.** This Agreement shall remain in effect until terminated (i) in accordance with its terms or (ii) by an order of the Commission, whichever shall occur first.
- 3.2.** Notwithstanding anything to the contrary elsewhere in this Agreement or in the Electricity Tariff, the Utility, by written notice to the CDG Sponsor, may if permitted in a proceeding, terminate this Agreement in whole or in part with respect to the CDG Project or suspend further performance without terminating this Agreement upon the occurrence of any of the following: (a) the CDG Sponsor or CDG Project terminates or suspends doing business, except where such suspension is caused by Force Majeure; (b) the CDG Sponsor or CDG Project becomes subject to any bankruptcy or insolvency proceeding under federal or state law (and which proceeding is not removed or dismissed within sixty (60) days from the filing thereof), or becomes insolvent, becomes subject to the direct control of a transferee, receiver or similar authority in relation to a bankruptcy or insolvency proceeding, or (except as otherwise provided in Section 15.7) makes an assignment for the benefit of creditors; (c) the CDG Sponsor commits a material breach of any of its obligations under this Agreement with respect to the Net Crediting Program and has not cured such breach within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the breach (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days); or (d) the CDG Project is in material violation of the Utility's electric standards, including but not limited to provisions related to interconnection and safety and has not cured such violation within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the violation (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days). Notwithstanding the aforementioned cure provisions or any other provision of this Agreement, the Utility may take immediate actions with respect to the CDG Project interconnection if deemed necessary by the Utility, in its sole discretion, to protect the safety of the public, customers, or employees, or the operation of the electric system.
- 3.3.** The foregoing notwithstanding, the CDG Sponsor may upon written notice to Utility remove the CDG Project from the Net Crediting Program. The CDG Sponsor and the Utility shall follow the process detailed in the Net Crediting Manual for removal of the CDG Project from the Net Crediting Program. The CDG Sponsor shall notify the affected CDG Satellites of the removal of the CDG Project from the Net Crediting Program.

4. Representations.

- 4.1.** The CDG Sponsor represents that it is and shall remain in compliance with all

applicable laws, tariffs, regulations, and the Utility's electric standards, safety, and cybersecurity standards with respect to the CDG Project during the term of this Agreement including the Electricity Tariff.

- 4.2. Each person executing this Agreement for the respective Parties represents and warrants that he or she has authority to bind that Party.
- 4.3. Each Party represents that (a) it has the full power and authority to execute, deliver, and perform its obligations under this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.
- 4.4. The Utility and the CDG Sponsor shall exercise all reasonable care, diligence and good faith in the performance of their duties pursuant to this Agreement and carry out their duties in accordance with applicable recognized professional standards.
- 4.5. The CDG Sponsor represents that it is registered with the Commission as provided for in the Uniform Business Practices for DER Suppliers ("UBP-DERS") and will abide by all applicable requirements in the UBP-DERS as it may be amended from time to time by the Commission.

5. CDG Sponsor Rights and Responsibilities

- 5.1. The CDG Sponsor will enroll the CDG Project and CDG Satellites in the Net Crediting Program pursuant to the Net Crediting Manual. When enrolling a CDG project in the Net Crediting Program, CDG Sponsor shall designate one CDG Savings Rate which will be applicable to all CDG Satellites for the CDG Project, with the exception of the Excluded Anchor Customer.
- 5.2. The CDG Sponsor shall provide the Utility with all information required in the Net Crediting Manual. The CDG Sponsor shall respond promptly (within no more than two (2) business days) to the Utility's requests for Net Crediting Program related data to the extent such data is required for the Utility to perform hereunder.
- 5.3. The CDG Sponsor shall handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Utility. The Utility will remain responsible for resolving Utility billing-related customer inquiries and complaints.
- 5.4. The CDG Sponsor shall cooperate with and provide the Utility with necessary

documentation relating to any transactions resulting hereunder.

- 5.5. The CDG Sponsor shall provide timely and accurate information to the Utility regarding participating CDG Satellites and any other information necessary for the Utility to perform hereunder.
- 5.6. The CDG Sponsor agrees that services rendered by the Utility shall not relieve the CDG Sponsor from any obligation to maintain records or otherwise comply with applicable laws. The CDG Sponsor agrees that it will maintain backup data and files for all information provided to the Utility as protection against loss of such information.
- 5.7. In the event that the CDG Sponsor receives a CDG Satellite subscription payment directly from the CDG Satellite, in error, the CDG Sponsor shall return such payment to the CDG Satellite.
- 5.8. The CDG Sponsor is responsible for notifying the Utility of any changes to CDG Satellite allocations in accordance with the rules and guidelines of the CDG Net Crediting Manual.

6. Utility Rights and Responsibilities

- 6.1. The Utility shall remit the CDG Sponsor Payment to the CDG Sponsor in accordance with the procedures established in the Net Crediting Manual. The CDG Sponsor Payment shall be remitted to CDG Sponsor via Automated Clearing House (ACH), check, or other payment form provided for in the Net Crediting Manual. Such remittance shall be performed at least monthly and shall be completed in a commercially reasonable time frame, and in any event, no later than seventy (70) days after the Utility has applied the CDG Subscription Fee to a CDG Satellite's electric utility bill.
- 6.2. The Utility shall provide Net Member Credits on CDG Satellite electric utility bills, allocated pursuant to the CDG Sponsor's directive, consistent with the Net Crediting Subscription Contract with each CDG Satellite.
- 6.3. In no event shall the aggregate value of applied net credits, CDG Subscription Fee and Utility Administrative Fee for a given billing cycle exceed the sum of ~~CDG value stack~~ €Credits and available banked credits for that cycle.
- 6.4. In the event the Utility is required to cancel and rebill from the CDG Sponsor or CDG Satellites, the CDG Sponsor Payment will reflect the effect of those adjustments. If the CDG Project unenrolls from ~~Net~~ €Crediting and the resultant CDG Subscription Fees differ from the amount originally paid to the CDG Sponsor, the Utility will

invoice/refund the CDG Sponsor for the difference.

- 6.5. The Utility will provide information to the CDG Sponsor utilizing the format, methods, and timeframes defined in the Net Crediting Manual.
- 6.6. If the CDG Sponsor identifies an Excluded Anchor Customer in the manner set out in the Net Crediting Manual, the Utility will not apply the CDG Savings Rate to the calculation of the Excluded Anchor Customer's Net Member Credit, and will provide the Excluded Anchor Customer with 100 percent of its allocation of the ~~CDG Value-Stack~~ Credits in accordance with the Net Crediting Manual procedures and Electricity Tariff.
- 6.7. The Utility shall be responsible for resolving Utility billing-related customer inquiries and complaints. In the case of customer inquiries to the Utility related to the CDG Sponsor, the Utility will promptly provide customers the CDG Sponsor's contact information.
- 6.8. For CDG Satellites subscribed to budget billing plans, the Utility is responsible for ensuring their Net Member Credits are subtracted from the current amount due rather than the underlying balance.
- 6.9. The Utility is responsible for updating and implementing CDG Satellite allocation lists as directed by the CDG Sponsor, in accordance with relevant rules and guidelines of the CDG program.
- 6.10. The Utility shall provide Net Member Credits to the CDG Satellites within two (2) months after the CDG Sponsor's billing cycle except in the case bi-monthly billed accounts in which case the appropriate time period would be (3) months.
7. **Utility Compensation.** To compensate the Utility for the provision of the Net Crediting Program, the Utility will retain the Utility Administrative Fee, deducted from the CDG Sponsor Payment, as described in the Net Crediting Tariff. The Utility may not retain any Utility Administrative Fee in connection with the Excluded Anchor Customer.
8. **Taxes.** The Utility is not responsible for assessing or collecting any taxes on payments made to the CDG Sponsor. Nothing in this Agreement shall be construed as imposing upon the Utility the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of the CDG Sponsor.
9. **Confidential Information**
 - 9.1. Except as otherwise provided herein, the Parties agree not to disclose to any third

party and to keep confidential, and to cause their affiliates, officers, directors, members, employees and Representatives not to disclose to any third party and to keep confidential, any and all customer information obtained by either Party from the other relating to this Agreement (including but not limited to, all business-sensitive and competitive information disclosed by either Party to the other Party, including billing information, issues, or data associated with any customer). Information described in this paragraph 9.1 and described in paragraph 9.2 of this Section 9 is collectively referred to as "Confidential Information." Each Party will require its affiliates, officers, directors, members, employees, and Representatives to comply with this Agreement and any other agreement regarding the exchange of Confidential Information, including but not limited to the terms and conditions of an applicable Interconnection Agreement, Data Security Agreement, Professional Services Contract, General Contract Conditions, or Non-Disclosure Agreement.

- 9.2.** In addition, each Party acknowledges that all information furnished and identified by the other Party as being confidential or proprietary information, trade secret, confidential commercial information, critical infrastructure, or other information that is confidential pursuant to state, federal or local law, regulation or rule, is and shall remain the sole and exclusive property of such other Party.
- 9.3.** Information and data provided to the Utility by the CDG Sponsor under this Agreement shall be used by the Utility for the purposes of billing, receiving, depositing, posting, processing and remittance of CDG Satellite utility bill credits or for determining the amounts due the CDG Sponsor. Confidential Information may be disclosed by the receiving Party to its employees, agents, consultants and Representatives on a need-to-know basis only.
- 9.4.** The receiving Party is required to destroy Confidential Information within six (6) years from the date received or the date when the information is no longer required for the operation of the Net Crediting Program, whichever occurs last, and thereafter, to destroy such Confidential Information or, at the request of the disclosing Party, return such Confidential Information.
- 9.5.** The confidentiality obligations of this Article do not apply to information which: (i) is already known to the Party free of any restriction at the time it is obtained from the other Party; (ii) is subsequently learned by one Party from an independent third party free of any restriction and without breach of this Agreement; (iii) is or becomes publicly available through no wrongful act of either Party; (iv) is independently developed by one Party without reference to any Confidential Information of the other; (v) is disclosed by one Party to a third party, with the express written permission of the other Party; (vi) is disclosed to the extent required by applicable

laws and regulations or by any subpoena or similar legal process (where the disclosing Party must seek confidential treatment from the appropriate court of law or regulator of competent jurisdiction and must inform the non-disclosing Party as soon as practicable to allow the non-disclosing Party to intervene and seek protection of the Confidential Information); or (vii) is disclosed pursuant to the lawful requirement or formal request of a governmental agency or a party in any regulatory proceeding, provided that if one Party is requested or, in the written opinion of its counsel, legally compelled by a governmental agency or a party in any regulatory proceeding to disclose any Confidential Information of the other Party, such party, to the extent permitted by law, agrees to provide the other Party with prompt written notice of such request so that the other Party has the opportunity to pursue its legal and equitable remedies regarding such potential disclosure. The receiving Party further agrees that if the disclosing Party is not successful in precluding the requesting legal or governmental body from requiring disclosure of the Confidential information, the receiving Party will furnish only that portion of the Confidential Information which, in the written opinion of its counsel, it is legally required to disclose, and will exercise all reasonable efforts to obtain assurances that confidential treatment will be accorded to the Confidential Information.

9.6. Each Party acknowledges and agrees that its breach or threatened breach of this Article may cause the other Party irreparable harm which may not be adequately compensated by monetary damages. Accordingly, in the event of any such breach or threatened breach by either Party, such Party agrees to the granting of equitable relief, including temporary restraining orders or preliminary or permanent injunctions, in addition to any legal remedies to which the other Party may be entitled, without proof of actual damages.

9.7. The provisions of this Article shall survive the expiration or termination of this Agreement.

10. Resolution of Disputes between Utility and CDG Sponsor

10.1. Each Party agrees to attempt to resolve all disputes arising under this Agreement promptly, equitably, and in a good faith manner.

10.2. If the Parties fail to resolve any dispute under this Agreement within ten (10) days after written notice of the dispute, the Parties agree to submit the dispute to mediation by a mutually acceptable mediator, in a mutually convenient location in New York State, in accordance with the then current International Institute for Conflict Prevention & Resolution Procedure, or to mediation by a mediator approved by the Commission. The Parties agree to participate in good faith in the mediation for a period of up to ninety (90) days. If the Parties are not successful in resolving their

disputes through mediation, the Parties may then refer the dispute for resolution to the Commission, which shall maintain continuing jurisdiction over this Agreement.

11. Resolution of Disputes between CDG Sponsor and CDG Satellite. The CDG Sponsor will be responsible for resolution of all inquiries and complaints related to the CDG Project in accordance with its Net Crediting Subscription Contract with CDG Satellites. The Utility will refer to the CDG Sponsor all inquiries and complaints initiated by CDG Satellites arising from or relating to the CDG Project or the Net Crediting Subscription Contract.

12. Indemnification

12.1.

The CDG Sponsor shall indemnify, defend, and hold the Utility and its corporate affiliates and their respective officers, directors, trustees, employees, agents, successors, Representatives and assigns harmless from and against any and all loss, liability, damage or expense (including reasonable attorneys' fees), statutory or administrative fines or penalties or claims for injury or damages arising out of the performance of this Agreement or breach thereof by CDG Sponsor, including any claims, demands, causes of action, litigation, suits, proceedings, hearings or investigations (collectively "Claims") by a third party for payments based upon any agreement or understanding alleged to have been made by the third party, directly or indirectly, with CDG Sponsor in connection with any of the transactions contemplated by this Agreement, except to the extent caused by the gross negligence or willful misconduct of Utility.

12.2. The obligations of this Article 12 will survive the expiration, suspension or termination of this Agreement or the Net Crediting Program.

13. Force Majeure

13.1. Neither Party shall be considered in default under this Agreement or responsible in tort, strict liability, contract or other legal theory to the other Party for damages of any description for any interruption or failure of service or deficiency in the quality or quantity of service, or any failure to perform if such failure is caused by factors beyond the Party's reasonable control that by exercise of reasonable diligence the Party is unable to prevent or overcome, including without limitation, storm, flood, lightning, earthquake, explosion, civil disturbance, labor dispute, sabotage, war, insurrection, act of God or the public enemy, action of a court, or public authority ("Force Majeure").

13.2. If any Force Majeure occurs, the Party delayed or unable to perform shall give immediate written notice to the other Party. During the pendency of the Force Majeure, the duties of the Party affected by the Force Majeure conditions shall be

abated and shall resume without liability thereafter, provided that an obligation to make payments under this Agreement shall not be excused by the occurrence of an event of Force Majeure.

14. Security Interest. The CDG Sponsor shall, without further consideration and at the CDG Sponsor's expense, use all commercially reasonable efforts to take or cause to be taken, any action, including the execution and delivery of instruments and documents, reasonably requested by the Utility to establish a first priority perfected security interest in favor of the Utility in the amounts included in ~~CDG Value Stack~~ Credits related to the CDG Sponsor's provision of subscription services to CDG Satellites from the CDG Project. The failure by the CDG Sponsor to fulfill any obligation of the CDG Sponsor pursuant to this paragraph shall specifically be deemed a breach of a material term or condition of this Agreement. Nothing in this Section 14 will be deemed to provide Utility with any rights to the CDG Sponsor Payment to CDG Sponsor. If an entity providing material financing to a CDG Sponsor requires the Utility to take a subordinate security interest before it will provide financing to the CDG Sponsor, the CDG Sponsor may request the Utility to take a subordinate interest. The Utility's agreement to take a subordinate security interest to the financier will not be unreasonably withheld, delayed, or conditioned. No subordination agreement by the Utility will be effective unless it is in writing and signed by both Parties.

15. Miscellaneous

15.1. Entire Agreement. This Agreement, all Exhibits and attachments hereto and all documents referenced herein, constitute the entire agreement between the Parties and supersedes all other agreements, communications, and representations. Paragraph headings are for convenience only and are not to be construed as part of this Agreement.

15.2. Amendment. Unless otherwise provided herein, no modification of, or supplement to, the terms and provision stated in this Agreement shall be or become effective without the written consent of both Parties. If the Net Crediting Program is suspended by statute or Commission order, this Agreement will be modified in accordance with such statute or order.

15.3. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same document.

15.4. Severability. In the event that any portion or part of this Agreement is deemed invalid, against public policy, void or otherwise unenforceable by a court of law, the validity and enforceability of the remaining portions thereof shall otherwise be fully enforceable.

15.5. Change in Law. To the extent that new mandatory regulatory, legislative or accounting changes, tax law changes, other regulatory policy changes, or other events materially affect the ability of either Party to comply with the provisions of this Agreement, including but not limited to material financial consequence, managerial, mechanical or technical compliance, the Parties agree to meet and use best efforts to renegotiate the terms and conditions of this Agreement to restore the position of the detrimentally affected Party to a financially neutral position or to be able to meet the managerial, mechanism and technical requirements of compliance. Methods that the Parties may consider to restore the detrimentally affected Party's ability to comply with this Agreement shall include, but not be limited to cost recovery through rates, payment for service by the unaffected Party, technical assistance, or other assistance as may be agreed upon. Renegotiated terms and conditions shall be effective when reduced to writing and signed by both Parties. If the Parties are unable to renegotiate acceptable changes, they may avail themselves of the dispute resolution mechanism set forth in Section 10 of this Agreement, and the existing terms and conditions of this Agreement shall continue to be effective through the conclusion of such dispute resolution mechanism.

15.6. Waiver. No waiver by any Party of any one or more defaults by the other Party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any other present or future default, whether of a like or different character. No delay by either Party in enforcing any of its rights hereunder shall be deemed a waiver of such rights.

15.7. Assignment.

15.7.1. Neither Party may assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld, delayed or conditioned, provided however that the CDG Sponsor has a right to assign (and/or collaterally assign, in connection with a financing transaction) its right to payments to be made by the Utility hereunder. The CDG Sponsor shall provide the Utility with a copy of the document in which the assignment is made or so much of the document as may be necessary to make clear the identity of the parties thereto and the terms of the assignment. The CDG Sponsor hereby waives any claim against the Utility for making payments pursuant to the assignment.

15.7.2. An assignment, transfer or other disposition of the Utility's rights and obligations under this Agreement resulting from or associated with (i) any restructuring of the assets of the Utility or (ii) any acquisition, consolidation, merger or other form of combination of the Utility by, into, or with any person or

entity shall not be subject to the prior notice and consent requirements of this sub-article.

15.7.3. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement. Any assignment, transfer or other disposition of this Agreement, or any rights, duties or obligations hereunder by either Party, except as specifically permitted herein, is in violation of this sub-article and void.

15.8. Subcontracting. Each Party may subcontract all or any portion of the performance to be rendered hereunder without the express approval of the other as to the tasks to be subcontracted and the subcontractor, provided, however that each Party shall be fully responsible for the acts and omissions of its subcontractors and their agents as it is for its own acts and omissions.

15.9. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement. Nothing contained herein shall be deemed to confer any rights or grant any remedies or give any benefit to any third party.

15.10. Relationship of the Parties. This Agreement is not intended, and shall not be construed to create any association, joint venture, agency relationship or partnership between the Parties of to impose any such obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of or otherwise bind the other Party.

15.11. Governing Law. This Agreement is governed by the laws of the State of New York without regard to the doctrines governing choice of law. All disputes arising hereunder shall be brought either before the Commission the state courts of the State of New York, or a federal court located in the State of New York.

15.12. Construction. In the event of any conflict between the provisions of this Agreement and the provisions of the Electricity Tariff, the applicable provisions of the Electricity Tariff shall apply.

15.13. Notices. Except as otherwise provided herein, any notices given under this Agreement shall be in writing and shall be delivered to the recipient Party at the address set forth in Exhibit A, by hand or sent by (a) certified mail, return receipt requested, first class postage prepaid, or (b) nationally recognized courier service. Notices given hereunder shall be deemed to have been given upon receipt or refusal to receive. The address to [which such notices shall be given by either Party may be changed by written notice given by such Party to the other Party pursuant to this sub-article.](#)

15.14.Other Remedies. Nothing contained herein shall be construed as a limitation on the right of either Party to pursue any remedy it may have at law or in equity.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

CDG SPONSOR _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

UTILITY _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

EXHIBIT A

All notices and information addressed to the Utility shall be addressed as follows:

All notices and information addressed to the CDG Sponsor shall be addressed as follows:

Appendix C – Net Crediting Manual



**Net Crediting Manual for
Community Distributed Generation (~~Value Stack~~)**

Effective ~~October 1, 2020~~^{** **}, ****

v. ~~4.2~~^{** **} – ~~August 31, 2020~~^{** **}, ****

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1. Introduction

In July 2015, The Public Service Commission (“PSC” or “Commission”) issued its Order Establishing a Community Distributed Generation Program and Making Other Findings in Case 15-E-0082 (“Community Distributed Generation Order” or “CDG Order”) under which the policies, requirements and conditions for implementing Community Distributed Generation (“CDG”) were established. In March 2017, the Commission issued its Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters in Cases 15-E-0751 et al (“VDER Order”) in which the conditions for CDG were updated to reflect the transition towards compensation via the Value Stack. Finally, in September 2018, the Commission issued its Order on Value Stack Eligibility Expansion and Other Matters (“VDER Expansion Order”) which again modified eligibility for CDG Hosts. The terms and conditions for CDG and Value Stack compensation are set forth in the Company’s Schedule for Electricity, P.S.C. No. 15 – Electricity (“Tariff”) in General Information Sections 46 and 48.B, respectively.

In December 2019, the Commission issued its Order Regarding Consolidated Billing for Community Distributed Generation in Case 19-M-0463 (“Net Crediting Order”) and adopted the Net Crediting model of consolidated billing as an option for CDG projects. Under the Net Crediting model, CDG Hosts will collect subscription fees through the subscriber’s Central Hudson bill in lieu of a separate bill sent from the CDG Host to each subscriber. With Net Crediting, a CDG Host will designate a CDG Savings Rate, or specified percentage benefit, for each project enrolled in Net Crediting. The CDG Savings Rate represents the percent of a project’s generation credits subscribers will receive after subtracting the subscription charge which Central Hudson will send to the CDG Host. To compensate Central Hudson for performing the billing function for the CDG Host, Central Hudson will retain an Administrative Fee assessed on the total value of the generation credits applied to subscribers’ bills.

This document sets forth Central Hudson’s procedures for CDG Hosts compensated via Volumetric and Value Stack to participate in Net Crediting. These procedures may be changed from time to time based on program experience or changes in PSC Orders. In the event of any inconsistency between the Tariff or any PSC Order and this Manual,

first the Tariff and/or PSC Orders and then the Net Crediting Agreement will govern before this Manual. Unless otherwise specified herein, the rules and requirements of Central Hudson's Tariff with respect to CDG and Value Stack continue to apply to Net Crediting.

2. Definitions

Allocated Credit – is the amount of the CDG Host Value Stack credit allocated to a CDG Satellite in any period based on the allocation percentage provided by the CDG Host.

Anchor Customer - is a demand-billed, non-mass market Utility electric customer greater than or equal to 25kW that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Sponsor identifies as being excluded from the Net Crediting Program.

Applied Credit – is the amount of ~~Value Stack~~ CDG credit used to offset the electric charges of a CDG Satellite's bill. This amount is equal to the allocated credit and the CDG Satellite's banked ~~Value Stack~~ credits, including any banked credits allocated from the CDG Host. A CDG Satellite's applied credit cannot exceed the amount of a CDG Satellite's electric bill during any billing period.

~~CDG Credits – are the credits generated from electricity generated from the CDG Project pursuant to Rule 40 of the Electricity Tariff.~~

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CDG Host or CDG Sponsor - is the entity that organizes, owns, and/or operates a CDG project. Central Hudson's Tariff and this procedural guide use the term CDG Host.

CDG Host Payment – is the payment from Central Hudson to the CDG Host representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by Central Hudson.

CDG Satellite - is a Central Hudson electric customer who is participating in the CDG Project.

CDG Savings Rate – is the rate used to calculate the value of the CDG ~~Project's monthly Value Stack~~ Credits that will be provided by Central Hudson on CDG Satellites' electric accounts, allocated as directed by the CDG Host.

CDG Subscription Fee – is the amount of the Applied Credit withheld from the CDG Satellite's monthly bill, representing the amount owed to the Host by the Satellite.

Net Member Credit – is the resulting credit on the CDG Satellite's electric bill.

Utility Administrative Fee - is the amount of the monthly value of the CDG ~~Project's Value Stack~~ Credits that the Utility will retain, as approved by the Commission.

3. Eligibility

The CDG Host must comply with all of the requirements established in the CDG Order, the VDER Order, the VDER Expansion Order, the Net Crediting Order, subsequent Orders, Central Hudson's Tariff and the UBP-DERS. Central Hudson's Tariff details the requirements that must be met for a generator to qualify as a CDG Host.

CDG Hosts must also operate in compliance with the standards and requirements set forth in the New York State Standardized Interconnection Requirements ("SIR") appended to the Tariff and may not commence service under the Net Crediting Program until all requirements are met.

| Central Hudson CDG Net Crediting Manual (~~Value Stack~~)

|

4. Program Requirements

CDG Hosts wishing to participate in the Net Crediting Program must execute the Net Crediting Agreement for each CDG Project operating within Central Hudson's service territory. The Net Crediting Agreement located <https://www.cenhud.com/my-energy/distributed-generation/programs-and-incentives/> may be returned to Central Hudson at PVmetering@cenhud.com.

A. Allocation Form

The CDG Host shall submit an allocation form indicating the enrollment of the CDG Project in Net Crediting. The allocation form must designate a CDG Savings Rate and may designate an Anchor Customer. Existing CDG Hosts applying for Net Crediting shall also submit an allocation form with the beforementioned details. Initial allocation requests must be received by the Company at least 60 days prior to commencing service as a CDG project. The allocation form may be found on the Company's website at the following location: <https://www.cenhud.com/my-energy/distributed-generation/dg-forms/>

B. Certification

The CDG Host must certify to the Company, both prior to commencing service under the Net Crediting Program and annually thereafter, that it has met the requirements established by the Commission and maintain such certifications and attestations in full force and effect throughout the term of self-certification. The certification form can be found on Central Hudson's website at the following link:

https://www.cenhud.com/globalassets/pdf/my-energy/dg_cdgselfcertificationform.pdf

The CDG Host also certifies that any change in the CDG Savings Rate applied to a project has received affirmative consent from each affected subscriber.

5. Program Process

A. CDG Savings Rate

The CDG Savings Rate will be initially set when enrolling in Net Crediting on either the initial or subsequent allocation form. The savings rate can be set in increments of a whole percentage, with a minimum of 5%. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the excluded Anchor Customer, if applicable.

B. Rules of Anchor Customer

A CDG Host may choose to designate an Anchor Customer. An Anchor Customer is a demand billed, non-mass market customer with demand greater than or equal to 25kW. The percentage allocated to the Anchor Customer counts towards the 40% allocation limit to large customers (i.e. multi-dwelling buildings included as part of 60% are ineligible to be an Anchor Customer).

An Anchor Customer can be set either when initially enrolling or on subsequent allocation forms. An Anchor Customer can be updated monthly, no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.

C. Utility Administrative Fee

Central Hudson will retain an Administrative Fee for performing the billing function for the CDG Host. The Administrative Fee will be determined monthly as the product of 1) the Net Crediting Discount Rate, as set forth in the Tariff, and 2) the total value of the Applied Credits on CDG subscribers' current bill, prior to the application of the CDG Subscription Charge. The Net Crediting Discount Rate is subject to change pursuant to Commission Order and any such changes to the Discount Rate will be applicable to all Net Crediting billing on and after the effective date of the change.

An example of the calculation of the Administrative Fee, using a CDG Project generating \$600 in Value Stack credits with an Anchor Customer, a 5% CDG Savings Rate and a 1% Net Crediting Discount Rate can be seen below. In this example Central Hudson retains \$4.00:

Central Hudson CDG Net Crediting Manual ~~(Value Stack)~~

Satellites	CDG Savings Rate	Satellite Allocation Percentages	Allocated Credit	Existing Banked Credits	Total Available Credit	CDG Satellite Electric Bill	Applied Credits	Net Member Credit	CDG Subscription Fee	Utility Administrative Fee
	A	B	C	D	E = C + D	F	G = -min(-E, F)	H = G * A	I = G - H	J = G * Net Crediting Discount Rate
Unallocated (Banked to CDG Host)	N/A	10.000%	\$ (60)	\$ (100)	\$ (160)					
CDG Satellite 1	5%	25.000%	\$ (150)	\$ -	\$ (150)	\$ 100	\$ (100)	-\$5.00	\$ (95.00)	
CDG Satellite 2	5%	25.000%	\$ (150)	\$ (100)	\$ (250)	\$ 400	\$ (250)	-\$12.50	\$ (237.50)	
CDG Satellite 3 Excluded	5%	30.000%	\$ (180)	\$ -	\$ (180)	\$ 50	\$ (50)	-\$2.50	\$ (47.50)	
Anchor Satellite	N/A	10.000%	\$ (60)	\$ (400)	\$ (460)	\$ 1,000	\$ (460)		\$ -	
Subtotal		100.000%	\$ (600)	\$ (600)	\$ (1,200)			-\$20.00	\$ (380.00)	\$ (4.00)

D. Bill Presentment

The Net Member Credit will be ~~initially~~ presented as a single line item in the Payments and Adjustments section on the last page of the CDG Subscriber's bill, with a separate line item for the corresponding CDG debit as shown below.

Payments and Adjustments

CDG Subscription Dr	05/03/2023	\$91.03
Community Distrib Generation Cr	05/03/2023	\$-101.14

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Payments and Adjustments

PAYMENT RECEIVED BY PAYMENT AGENT	MAY 19	\$-200.00
COMMUNITY DISTRIB GENERATION CREDIT	MAY 29	\$-12.36
PAYMENT RECEIVED BY PAYMENT AGENT	JUN 2	\$-100.00

E. Subsequent Updates to Forms

1. No more than one allocation form per billing period will be accepted.

2. The CDG Host may modify its CDG Savings Rate twice per year during the months of March and September by submitting an allocation form with an updated CDG Savings Rate no less than 45 days before the CDG Host account's billing cycle date to which the modifications apply.
3. The CDG Host may modify the Anchor Customer by submitting an allocation listing the modified Anchor Customer. Any updates to allocation forms may be submitted once per CDG Host billing cycle no less than 45 days before the CDG Host account's billing cycle date to which the modifications apply.
4. To un-enroll a Project from the Net Crediting Program, the CDG Host shall submit an allocation form indicating the unenrollment from the Net Crediting Program no less than 45 days before the CDG Host Account's billing cycle date to which the modifications apply.
5. To re-enroll a Project from the Net Crediting Program, the CDG Host shall submit an allocation form indicating the re-enrollment in the Net Crediting Program and CDG Savings Rate no less than 45 days before the CDG Host Account's billing cycle date to which the modifications apply. A Project may not re-enroll in the Net Crediting Program within twelve months from the most recent un-enrollment.

F. Application of Subscriber Credits

1. Timing

CDG credits are applied to CDG Subscriber accounts on a month lag. Using the following example, a CDG Host's generation from June 30 – July 30 will be allocated to subscriber bills issued during the period of July 31 – August 29. These credits are then posted as a batch on the next read date for the CDG Host on August 30. Beginning on August 31 subscribers begin to see the Net Member Credit appear on their bills.

Date	Event
6/30	Project Final Interconnects
7/30	First meter read as CDG - Host will receive bill

7/30-8/29	Subscribers billed and the credits to be applied are calculated
8/30	Second meter read as CDG Host - Host will receive bill, credits are allocated to CDG Subscribers based on prior month's generation.
8/31	Subscribers begin to see CDG Net Member Credits on their bills

2. Banking

For active accounts, former CDG Satellites will continue to receive credits resulting from any prior allocations that were banked on the CDG Satellite account. A customer cannot enroll with a new CDG Host until banked credits are used.

G. CDG Host Payment

1. Payments will be made monthly according to the CDG Host's account billing cycle. Payment will be in the form of a check made payable to the name and mailing address on the Host's account.
2. The Host Payment will be the sum of the CDG Subscription Fees from each CDG Satellite, less the Utility Administrative Fee. (e.g. In the example show in 5.C above: a CDG Project generates \$600 worth of credits; \$400 is applied to subscribers; using a saving rate of 5%, the CDG Subscription Fee would be \$380; using a Net Crediting Discount Rate of 1% the Utility Administrative Fee would be \$4; and the Host Payment would be \$376, or \$380 - \$4).
3. The Host will generally receive payment within 14 days after the Host's bill cycle. Using the example shown in 5.F above, the CDG Host would see their payment by 9/14.
4. The Host Summary report that is provided monthly will included the additional fields listed below once the project is enrolled in Net Crediting:
 - i. Sponsor Payment
 - ii. Savings Rate

iii. Utility Administrative Fee

H. Subsequent Net Crediting Program Changes

Subsequent changes to Net Crediting Program details which may include: displaying the total credit value and subscription fee separately on the bill; allowing for bill messaging by the CDG Host and displaying the CDG Project name on the bill; and expansion of Net Crediting to CDG Projects compensated volumetrically will be reflected in this Manual at such time these changes are implemented.

6. Additional Items

Central Hudson shall be responsible for resolving utility billing-related customer inquiries and complaints. In the case of customer inquiries to Central Hudson related to the CDG Sponsor, the Company will promptly provide customers the CDG Sponsor's contact information.

7. Track Changes

This section will be used to track changes to this document.

Version Number	Description of Changes	Date
v1	Initial version	8/31/2020
<u>v2</u>	<u>Revised to include</u> <u>Volumetric Net Crediting</u>	<u>**/**/****</u>



Net Crediting Manual for Community Distributed Generation

Effective ** **, ****

v. 2 – ** **, ****

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1. Introduction

In July 2015, The Public Service Commission (“PSC” or “Commission”) issued its Order Establishing a Community Distributed Generation Program and Making Other Findings in Case 15-E-0082 (“Community Distributed Generation Order” or “CDG Order”) under which the policies, requirements and conditions for implementing Community Distributed Generation (“CDG”) were established. In March 2017, the Commission issued its Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters in Cases 15-E-0751 et al (“VDER Order”) in which the conditions for CDG were updated to reflect the transition towards compensation via the Value Stack. Finally, in September 2018, the Commission issued its Order on Value Stack Eligibility Expansion and Other Matters (“VDER Expansion Order”) which again modified eligibility for CDG Hosts. The terms and conditions for CDG and Value Stack compensation are set forth in the Company’s Schedule for Electricity, P.S.C. No. 15 – Electricity (“Tariff”) in General Information Sections 46 and 48.B, respectively.

In December 2019, the Commission issued its Order Regarding Consolidated Billing for Community Distributed Generation in Case 19-M-0463 (“Net Crediting Order”) and adopted the Net Crediting model of consolidated billing as an option for CDG projects. Under the Net Crediting model, CDG Hosts will collect subscription fees through the subscriber’s Central Hudson bill in lieu of a separate bill sent from the CDG Host to each subscriber. With Net Crediting, a CDG Host will designate a CDG Savings Rate, or specified percentage benefit, for each project enrolled in Net Crediting. The CDG Savings Rate represents the percent of a project’s generation credits subscribers will receive after subtracting the subscription charge which Central Hudson will send to the CDG Host. To compensate Central Hudson for performing the billing function for the CDG Host, Central Hudson will retain an Administrative Fee assessed on the total value of the generation credits applied to subscribers’ bills.

This document sets forth Central Hudson’s procedures for CDG Hosts compensated via Volumetric and Value Stack to participate in Net Crediting. These procedures may be changed from time to time based on program experience or changes in PSC Orders. In the event of any inconsistency between the Tariff or any PSC Order and this Manual,

first the Tariff and/or PSC Orders and then the Net Crediting Agreement will govern before this Manual. Unless otherwise specified herein, the rules and requirements of Central Hudson's Tariff with respect to CDG and Value Stack continue to apply to Net Crediting.

2. Definitions

Allocated Credit – is the amount of the CDG Host Value Stack credit allocated to a CDG Satellite in any period based on the allocation percentage provided by the CDG Host.

Anchor Customer - is a demand-billed, non-mass market Utility electric customer greater than or equal to 25kW that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Sponsor identifies as being excluded from the Net Crediting Program.

Applied Credit – is the amount of CDG credit used to offset the electric charges of a CDG Satellite's bill. This amount is equal to the allocated credit and the CDG Satellite's banked credits, including any banked credits allocated from the CDG Host. A CDG Satellite's applied credit cannot exceed the amount of a CDG Satellite's electric bill during any billing period.

CDG Credits – are the credits generated from electricity generated from the CDG Project pursuant to Rule 40 of the Electricity Tariff.

CDG Host or CDG Sponsor - is the entity that organizes, owns, and/or operates a CDG project. Central Hudson's Tariff and this procedural guide use the term CDG Host.

CDG Host Payment – is the payment from Central Hudson to the CDG Host representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by Central Hudson.

CDG Satellite - is a Central Hudson electric customer who is participating in the CDG Project.

CDG Savings Rate – is the rate used to calculate the value of the CDG Credits that will be provided by Central Hudson on CDG Satellites' electric accounts, allocated as directed by the CDG Host.

CDG Subscription Fee – is the amount of the Applied Credit withheld from the CDG Satellite's monthly bill, representing the amount owed to the Host by the Satellite.

Net Member Credit – is the resulting credit on the CDG Satellite's electric bill.

Utility Administrative Fee - is the amount of the monthly value of the CDG Credits that the Utility will retain, as approved by the Commission.

3. Eligibility

The CDG Host must comply with all of the requirements established in the CDG Order, the VDER Order, the VDER Expansion Order, the Net Crediting Order, subsequent Orders, Central Hudson's Tariff and the UBP-DERS. Central Hudson's Tariff details the requirements that must be met for a generator to qualify as a CDG Host.

CDG Hosts must also operate in compliance with the standards and requirements set forth in the New York State Standardized Interconnection Requirements ("SIR") appended to the Tariff and may not commence service under the Net Crediting Program until all requirements are met.

4. Program Requirements

CDG Hosts wishing to participate in the Net Crediting Program must execute the Net Crediting Agreement for each CDG Project operating within Central Hudson's service territory. The Net Crediting Agreement located <https://www.cenhud.com/my-energy/distributed-generation/programs-and-incentives/> may be returned to Central Hudson at PVmetering@cenhud.com.

A. Allocation Form

The CDG Host shall submit an allocation form indicating the enrollment of the CDG Project in Net Crediting. The allocation form must designate a CDG Savings Rate and may designate an Anchor Customer. Existing CDG Hosts applying for Net Crediting shall also submit an allocation form with the beforementioned details. Initial allocation requests must be received by the Company at least 60 days prior to commencing service as a CDG project. The allocation form may be found on the Company's website at the following location: <https://www.cenhud.com/my-energy/distributed-generation/dg-forms/>

B. Certification

The CDG Host must certify to the Company, both prior to commencing service under the Net Crediting Program and annually thereafter, that it has met the requirements established by the Commission and maintain such certifications and attestations in full force and effect throughout the term of self-certification. The certification form can be found on Central Hudson's website at the following link:

https://www.cenhud.com/globalassets/pdf/my-energy/dg_cdgselfcertificationform.pdf

The CDG Host also certifies that any change in the CDG Savings Rate applied to a project has received affirmative consent from each affected subscriber.

5. Program Process

A. CDG Savings Rate

The CDG Savings Rate will be initially set when enrolling in Net Crediting on either the initial or subsequent allocation form. The savings rate can be set in increments of a whole percentage, with a minimum of 5%. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the excluded Anchor Customer, if applicable.

B. Rules of Anchor Customer

A CDG Host may choose to designate an Anchor Customer. An Anchor Customer is a demand billed, non-mass market customer with demand greater than or equal to 25kW. The percentage allocated to the Anchor Customer counts towards the 40% allocation limit to large customers (i.e. multi-dwelling buildings included as part of 60% are ineligible to be an Anchor Customer).

An Anchor Customer can be set either when initially enrolling or on subsequent allocation forms. An Anchor Customer can be updated monthly, no less than 30 days prior to the CDG Host account's billing date to which the modifications apply.

C. Utility Administrative Fee

Central Hudson will retain an Administrative Fee for performing the billing function for the CDG Host. The Administrative Fee will be determined monthly as the product of 1) the Net Crediting Discount Rate, as set forth in the Tariff, and 2) the total value of the Applied Credits on CDG subscribers' current bill, prior to the application of the CDG Subscription Charge. The Net Crediting Discount Rate is subject to change pursuant to Commission Order and any such changes to the Discount Rate will be applicable to all Net Crediting billing on and after the effective date of the change.

An example of the calculation of the Administrative Fee, using a CDG Project generating \$600 in Value Stack credits with an Anchor Customer, a 5% CDG Savings Rate and a 1% Net Crediting Discount Rate can be seen below. In this example Central Hudson retains \$4.00:

Central Hudson CDG Net Crediting Manual

Satellites	CDG Savings Rate	Satellite Allocation Percentages	Allocated Credit	Existing Banked Credits	Total Available Credit	CDG Satellite Electric Bill	Applied Credits	Net Member Credit	CDG Subscription Fee	Utility Administrative Fee
	A	B	C	D	E = C + D	F	G = -min(-E, F)	H = G * A	I = G - H	J = G * Net Crediting Discount Rate
Unallocated (Banked to CDG Host)	N/A	10.000%	\$ (60)	\$ (100)	\$ (160)					
CDG Satellite 1	5%	25.000%	\$ (150)	\$ -	\$ (150)	\$ 100	\$ (100)	-\$5.00	\$ (95.00)	
CDG Satellite 2	5%	25.000%	\$ (150)	\$ (100)	\$ (250)	\$ 400	\$ (250)	-\$12.50	\$ (237.50)	
CDG Satellite 3	5%	30.000%	\$ (180)	\$ -	\$ (180)	\$ 50	\$ (50)	-\$2.50	\$ (47.50)	
Excluded Anchor Satellite	N/A	10.000%	\$ (60)	\$ (400)	\$ (460)	\$ 1,000	\$ (460)		\$ -	
Subtotal		100.000%	\$ (600)	\$ (600)	\$ (1,200)			-\$20.00	\$ (380.00)	\$ (4.00)

D. Bill Presentment

The Net Member Credit will be presented as a single line item in the Payments and Adjustments section on the last page of the CDG Subscriber's bill, with a separate line item for the corresponding CDG debit as shown below.

Payments and Adjustments

CDG Subscription Dr	05/03/2023	\$91.03
Community Distrib Generation Cr	05/03/2023	\$-101.14

E. Subsequent Updates to Forms

1. No more than one allocation form per billing period will be accepted.
2. The CDG Host may modify its CDG Savings Rate twice per year during the months of March and September by submitting an allocation form with an updated CDG Savings Rate no less than 45 days before the CDG Host account's billing cycle date to which the modifications apply.

3. The CDG Host may modify the Anchor Customer by submitting an allocation listing the modified Anchor Customer. Any updates to allocation forms may be submitted once per CDG Host billing cycle no less than 45 days before the CDG Host account's billing cycle date to which the modifications apply.
4. To un-enroll a Project from the Net Crediting Program, the CDG Host shall submit an allocation form indicating the unenrollment from the Net Crediting Program no less than 45 days before the CDG Host Account's billing cycle date to which the modifications apply.
5. To re-enroll a Project from the Net Crediting Program, the CDG Host shall submit an allocation form indicating the re-enrollment in the Net Crediting Program and CDG Savings Rate no less than 45 days before the CDG Host Account's billing cycle date to which the modifications apply. A Project may not re-enroll in the Net Crediting Program within twelve months from the most recent un-enrollment.

F. Application of Subscriber Credits

1. Timing

CDG credits are applied to CDG Subscriber accounts on a month lag. Using the following example, a CDG Host's generation from June 30 – July 30 will be allocated to subscriber bills issued during the period of July 31 – August 29. These credits are then posted as a batch on the next read date for the CDG Host on August 30. Beginning on August 31 subscribers begin to see the Net Member Credit appear on their bills.

Date	Event
6/30	Project Final Interconnects
7/30	First meter read as CDG - Host will receive bill
7/30-8/29	Subscribers billed and the credits to be applied are calculated
8/30	Second meter read as CDG Host - Host will receive bill, credits are allocated to CDG Subscribers based on prior month's generation.

8/31	Subscribers begin to see CDG Net Member Credits on their bills

2. Banking

For active accounts, former CDG Satellites will continue to receive credits resulting from any prior allocations that were banked on the CDG Satellite account. A customer cannot enroll with a new CDG Host until banked credits are used.

G. CDG Host Payment

1. Payments will be made monthly according to the CDG Host's account billing cycle. Payment will be in the form of a check made payable to the name and mailing address on the Host's account.
2. The Host Payment will be the sum of the CDG Subscription Fees from each CDG Satellite, less the Utility Administrative Fee. (e.g. In the example show in 5.C above: a CDG Project generates \$600 worth of credits; \$400 is applied to subscribers; using a saving rate of 5%, the CDG Subscription Fee would be \$380; using a Net Crediting Discount Rate of 1% the Utility Administrative Fee would be \$4; and the Host Payment would be \$376, or \$380 - \$4).
3. The Host will generally receive payment within 14 days after the Host's bill cycle. Using the example shown in 5.F above, the CDG Host would see their payment by 9/14.
4. The Host Summary report that is provided monthly will included the additional fields listed below once the project is enrolled in Net Crediting:
 - i. Sponsor Payment
 - ii. Savings Rate
 - iii. Utility Administrative Fee

H. Subsequent Net Crediting Program Changes

Subsequent changes to Net Crediting Program details which may include: displaying the total credit value and subscription fee separately on the bill; allowing for bill

messaging by the CDG Host and displaying the CDG Project name on the bill; and expansion of Net Crediting to CDG Projects compensated volumetrically will be reflected in this Manual at such time these changes are implemented.

6. Additional Items

Central Hudson shall be responsible for resolving utility billing-related customer inquiries and complaints. In the case of customer inquiries to Central Hudson related to the CDG Sponsor, the Company will promptly provide customers the CDG Sponsor's contact information.

7. Track Changes

This section will be used to track changes to this document.

Version Number	Description of Changes	Date
v1	Initial version	8/31/2020
v2	Revised to include Volumetric Net Crediting	**/**/****

Con Edison

Value Stack and Volumetric CDG

Net Crediting Manual

VERSION HISTORY

No.	Description	Date
v1	Initial version	8/31/2020
v2	Eligibility expanded to Volumetric CDG	**/**/****

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CERTIFICATION FORM

APPENDIX C: CDG NET CREDITING ALLOCATION REQUEST FORM

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1. Introduction

This Community Distributed Generation (“CDG”) Net Crediting Manual (“Manual”) sets forth Consolidated Edison Company of New York, Inc.’s (“Con Edison” or “Company”) procedural requirements for CDG providers that wish to participate in Net Crediting. By way of background, on July 17, 2015, the Public Service Commission (“PSC” or “Commission”) issued its Order Establishing a Community Distributed Generation Program and Making Other Findings in Case 15-E-0082 (“Community Distributed Generation Order” or “CDG Order”) under which the policies, requirements and conditions for implementing Community Net Metering were established, hereinafter referred to as CDG. Subsequently, on March 9, 2017, the Commission issued its Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters in Case 15-E-0751 (“Value of Distributed Energy Resource Order” or “VDER Order”) in which the policies, requirements, and conditions for CDG were updated to reflect a transition away from net metering. On October 19, 2017, the Commission issued its Order Establishing Oversight Framework and Uniform Business Practices for Distributed Energy Resource Suppliers in Case 15-M-0180 which establishes Uniform Business Practices (“UBP- DERS”) for oversight of distributed energy resources suppliers (“DERS” or “DER suppliers”) and a more specific and detailed set of provisions for CDG providers. Finally, on September 12, 2018, the Commission issued its Order on Value Stack Eligibility Expansion and Other Matters (“Expansion Order”), which enabled more generator technology types to be CDG Hosts.

On December 12, 2019, the Public Service Commission (PSC) issued its Order Regarding Consolidated Billing for Community Distributed Generation in Case 19-M-0463 (Net Crediting Order) which established the policies, requirements and conditions to implement Net Crediting. The terms of service for Community Distributed Generation (CDG) that resulted from the Net Crediting Order are in the Company’s Schedule for Electricity, P.S.C. No. 10 (Tariff) under Rider R, Section F.3.d and the Company’s Schedule for PASNY Delivery Service (PASNY Tariff) under the Value Stack Tariff for PASNY Customer-Generators (collectively, “CDG Net Crediting Tariffs”).

This Manual sets forth the Company’s procedural requirements for CDG providers that wish to participate in Net Crediting, consistent with the requirements outlined in the Orders noted above, the UBP-DERS, and the CDG Net Crediting Tariffs. Additional procedural requirements for CDG providers can be found in Con Edison’s *Community Distributed Generation Procedural Requirements for Value Stack Customers* ([CDG Procedures](#)) and *Community Distributed Generation Procedural Guide for Grandfathered and Phase-One Net Metering* ([Volumetric CDG Procedures](#)).

Typically, a CDG project involves the following three parties: the CDG Host; CDG Satellites (also referred to as Subscribers); and the Company. A CDG Host is the project sponsor and is responsible for owning or operating the generation facility, coordinating the project’s interconnection and operation, and supervising and fostering cooperation among the CDG Satellites. CDG Satellites are the project subscribers who will own or contract for a proportion of the credits accumulated at the generation facility’s meter, as a percentage of the

facility's net hourly export on the CDG Host's account. The Company is responsible for distributing the credits from the CDG Host's account to CDG Satellites in accordance with the CDG Host's instructions and the Company's tariff.

CDG Hosts may enroll in the Net Crediting Program, described herein, under which the Company will apply the savings rate provided by the CDG Host to all of the CDG Satellites in the project (excluding any Anchor Satellite) resulting in a net credit being applied to the CDG Satellites Electric Bills. The Company will remit payment to the CDG Host, on behalf of the CDG Satellites, equal to the CDG Subscription Fees less the Utility Administrative Fees.

The Company may modify this Manual as needed based on experience, utility billing system enhancements, and/or as required by the PSC, including modification of the UBP-DERS. Updates to this Manual will be posted on the Company's website (www.coned.com/dg). In the event of any inconsistency between the Tariff or any PSC order and this Manual, the Tariff or PASNY Tariff and/or PSC orders will govern.

2. Definitions

The capitalized terms included in this Manual shall have the meanings set forth below.

Applied Credit: Equal to the portion of the Total Available Credit that offsets the CDG Satellite's Electric Bill each billing period. A CDG Satellite's applied credit cannot exceed the amount of a CDG Satellite's Electric Bill during an individual billing period. The Company shall use the Applied Credit as the basis to determine the CDG Subscription Fee.

Anchor Satellite: For purposes of this Manual, a CDG Satellite that is billed demand by the Company of 25 kW or greater in the previous 12 months and is designated by the CDG Host to be excluded from Net Crediting Program. The Anchor Satellite is referred to as the Excluded Anchor Customer in the Net Crediting Agreement.

CDG Allocation Request: The CDG Host's instruction to the Company as to the disposition of Monthly Allocated Credit or Host Bank Allocated Credit.

CDG Host: A non-residential customer who owns or operates electric generating equipment eligible under the CDG Net Crediting Tariffs and whose net hourly injected energy produced by its generating equipment is applied to the accounts of CDG Satellites. A CDG Host is also commonly referred to as a CDG Sponsor or CDG Provider.

CDG Host Payment: The payment from the Company to the CDG Host representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Company.

CDG Host Billing Portal: [A link will be provided when the Net Crediting Program is effective.]

CDG Interconnection Portal: The Company's [*Small Distributed Generation Application Portal – 50 kW or Less*](#) or [*Large Distributed Generation Application Portal – 50 kW to 5,000 kW \(5 MW\)*](#), as applicable to the CDG Host's generation facility size.

CDG Satellite: A Con Edison electric distribution customer taking service under the Tariff or PASNY Tariff who is allocated Credits from its CDG Host in accordance with the CDG Net Crediting Tariffs: A CDG Satellite is also commonly referred to as a CDG Subscriber.

CDG Savings Rate: The percentage provided by the CDG Host and used by the Company to calculate the net credit that the Company provides on CDG Satellites' Electric Bills. The CDG Host shall provide a CDG Savings Rate not less than 5 percent. The sum of the CDG Savings Rate and Utility Administrative Fee may not exceed 100 percent. The same CDG Savings Rate is used by the Company for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Satellite, if applicable. The Company shall use the CDG Savings Rate to determine the CDG Subscription Fee, such that the difference between a CDG Satellite's Applied Credit and the CDG Subscription Fee is a net credit on such CDG Satellite's Electric Bill, equal in proportion to the CDG Savings Rate.

CDG Subscription Fee: An amount which reduces the Applied Credit on a CDG Satellite's Electric Bill, such that the CDG Satellite receives a net credit at the CDG Savings Rate. The CDG Subscription Fee represents the amount owed by a CDG Satellite to its CDG Host for the Applied Credit in a billing period. A CDG Subscription Fee is not levied on credits provided by the Company to an Anchor Satellite, if applicable.

Electric Bill: The bill rendered by the Company for a customer's electric utility service. Electric utility service includes energy, customer, demand, or other electric charges. Energy supply costs billed by the Company are included in the Electric Bill amount. If a customer participates in Retail Access pursuant to the Tariff and is not billed by the Company for Retail Access supply charges, and for all PASNY Customers, the Electric Bill does not include electric supply costs. Generally, Electric Bills are rendered monthly pursuant to the Tariff and PASNY Tariff.

Enrollment Period: A 60-day period that begins once the Company receives the completed Enrollment documentation.

Host Bank Allocated Credit: The credit allocated by the CDG Host from the CDG Host's Banked Monetary Credit pursuant to Rider R Section F.3.c of the Tariff or the Community Distribution Generation Section (c) of the Value Stack Tariff for PASNY Customer-Generators in the PASNY Tariff.

Mass Market CDG Satellite: A CDG Satellite taking service under Service Classifications No. 1 or No. 2 of the Tariff.

Monthly Allocated Credit: The credit allocated by the CDG Host for its net hourly injected energy during the CDG Host's billing period, pursuant to Rider R Section F.3.c of the Tariff or the Community Distribution Generation Section (c) of the Value Stack Tariff for PASNY Customer-Generators in the PASNY Tariff.

Net Crediting Agreement: The written contract between the CDG Host and the Company which is a prerequisite for the CDG Host's participation in the Net Crediting Program. A template of the Net Crediting Agreement

Net Crediting Program: A voluntary program offered by the Company to CDG Hosts. The Net Crediting Program authorizes the Company to remit payments to the CDG Host on behalf of CDG Satellites, resulting in a net credit on the CDG Satellite's Electric Bill.

Non-residential Customer: For purposes of the Net Crediting Procedural Manual, a customer billed by the Company under a Service Classification ("SC") other than SC No. 1.

Total Available Credit: The credit available to offset a CDG Satellite's bill. The Total Available Credit is the sum of the Monthly Allocated Credit, Host Bank Allocated Credit (if any), and any remaining credit from the preceding billing month that was carried forward to the current billing period.

Utility Administrative Fee: The amount subtracted from the CDG Subscription Fee to offset the Company's implementation and ongoing costs of the Net Crediting Program. The Utility Administrative Fee is withheld from the CDG Host Payment.

Utility Administrative Fee Rate: The percent of the Applied Credit which is subtracted from the CDG Subscription Fee prior to remittance of the CDG Host Payment. The Utility Administrative Fee was initially set at 1 percent by the Net Crediting Order. The latest Utility Administrative Fee Rate will be available in the Company's tariffed statements.

Credits: Credits associated with a CDG Host’s generating equipment which are valued in accordance to the Tariff or PASNY Tariff and allocated to CDG Satellites as a Monthly Allocated Credit or a Host Bank Allocated Credit

3. Enrollment

- 3.1. The CDG Host must comply with the CDG Procedures, except where modified under this Net Crediting Manual.
- 3.2. The CDG Host shall submit the following required enrollment documentation to the Company:
 - 3.2.1. Cover sheet/Enrollment Checklist;
 - 3.2.2. CDG Host Certification Form;
 - 3.2.3. CDG Net Crediting Allocation Request Form (“Allocation Form”).
 - 3.2.4. Net Crediting Agreement;
 - 3.2.5. Payment documentation, including Automated Clearinghouse (“ACH”) Payment Authorization Form, a voided check or Bank Letter, and most recent IRS Form W-9; and
- 3.3. The enrollment documentation is attached hereto as Appendices A, B, C, D and E respectively.
- 3.4. The Company shall provide notice on its website and CDG Interconnection Portal when applications for enrollment in the Net Crediting Program may be submitted.
- 3.5. The enrollment documentation except for the Payment documentation, shall be submitted to the Company via upload to the CDG Interconnection Portal. The Payment documentation shall be submitted by encrypted email to cdgdevelopers@coned.com. The 60-day Enrollment Period will begin once all enrollment documentation, as specified in 3.2 above, are received by the Company.
- 3.6. Projects that have previously applied for interconnection, whether in-service or not, that also apply to the Net Crediting Program shall submit to the Company all the enrollment documentation specified in 3.2 above, including an updated CDG Host Certification Form and Allocation Form.
- 3.7. During the Enrollment Period the Company will review the submitted enrollment documentation.
- 3.8. After approval of the submitted documentation and when the Enrollment Period ends, Net Crediting will be effective on the CDG Host’s subsequent billing date in accordance with the Tariff.

- 3.9. The Company shall counter-sign and execute the Net Crediting Agreement to be effective in accordance with provision 3.8 above.
- 3.10. By submitting a CDG Allocation Request and in its CDG Host Certification Form, the CDG Host certifies that the CDG Host has entered into written contracts with each of its CDG Satellites acknowledging that each CDG Satellite will receive net credits pursuant to the Net Crediting Program.
- 3.11. If a CDG Host has previously participated in the Company's Net Crediting Program, and was unenrolled pursuant to section 1010 below, the CDG Host may re-enroll with an effective date no earlier than 12 months from the prior unenrollment. To re-enroll, the CDG Host must complete all required enrollment documentation described herein including executing a new Net Crediting Agreement.

4. Initial CDG Allocation Request

- 4.1. An Initial CDG Allocation Request is required as part of the CDG Host's enrollment in the Net Crediting Program, as described in provision 3.2 above.
- 4.2. The CDG Host shall comply with the CDG Procedures, except as modified below, and the Tariff or PASNY Tariff, as applicable, when completing this form, along with the additional requirements below.
- 4.3. The CDG Host shall designate in its Initial CDG Allocation Request the CDG Host's utility account number, the CDG Satellite utility account numbers that will receive credits under the Net Crediting Program, the allocation percentage to each CDG Satellite utility account number, the initial Savings Rate, and the Anchor Satellite, if any (subject to Sections 6 and 7 below). The Company will notify the CDG Host when submission of a complete and accurate initial allocation request has been accepted by the Company.
- 4.4. The Company shall use the initial CDG Allocation Request for disposition of a CDG Host's Monthly Allocation Credit until such time that a Subsequent CDG Allocation Request is effective.

5. Subsequent CDG Allocation Request

- 5.1. The CDG Host may modify: (1) the list of CDG Satellite to which the CDG Host allocates; and/or (2) the percentage of credits allocated to one or more of its CDG Satellites; and/or (3) the Anchor Satellite. Updates may be submitted once per CDG Host billing month by giving notice to the Company no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply.

- 5.2. To modify a CDG Allocation Request, the CDG Host shall complete and submit an updated Allocation Form included in Appendix C to the Company via the CDG Host Billing Portal. The CDG Host shall comply with the CDG Procedures when completing this form, along with the additional requirements below.
- 5.3. The CDG Host may modify its CDG Savings Rate once every six months by giving notice to the Company no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply, pursuant to section 6 below.
- 5.4. The CDG Host's subsequent allocation request will be effective with the first CDG Host billing period that commences at least 30 days after the Company's receipt of an accepted Allocation Form.

6. CDG Savings Rate

- 6.1. In its initial Allocation Form, submitted pursuant to provision 3.2 above, the CDG Host shall indicate the amount of the CDG Savings Rate applicable to the CDG project.
- 6.2. The CDG Savings Rate shall not be less than five percent, not to exceed two decimal points (*e.g.*, 5%, 6%, 7% and so forth).
- 6.3. The sum of the CDG Savings Rate and Utility Administrative Fee Rate may not exceed 100 percent.
- 6.4. The Company shall use the same CDG Savings Rate for all CDG Satellites subscribed to the CDG Host's project, except for the Anchor Satellite, if applicable.
- 6.5. The CDG Host may update the CDG Savings Rate no earlier than six months from the initial effective date of the CDG Host's enrollment in the Net Crediting Program and no earlier than six months from the effective date of any subsequent change. The CDG Host shall update the CDG Savings Rate by submitting a signed copy of Appendix C to the Company's CDG Host Billing Portal.
- 6.6. The Company will apply the project's CDG Savings Rate to all CDG Satellites' Applied Credits (excluding the Anchor Satellite, if applicable).
- 6.7. If a CDG Host submits an updated CDG Savings Rate as part of its CDG Allocation Request for Host Bank Allocated Credit, the Company will apply this updated CDG Savings Rate for all Applied Credit, including Monthly Allocated Credit, for all CDG Satellites (excluding the Anchor Satellite, if applicable) for at least 6 months

from the CDG Savings Rate effective date and until the CDG Host requests a subsequently updated CDG Savings Rate.

7. Anchor Satellite

- 7.1. In each CDG Host billing month, the CDG Host may optionally designate up to one CDG Satellite utility billing account as an Anchor Satellite.
- 7.2. A CDG Satellite that is designated as an Anchor Satellite in a billing month will not participate in the Net Crediting Program and will instead have its credits applied pursuant to the non-Net Crediting CDG Program.
- 7.3. The CDG Host may modify the Anchor Satellite once per CDG Host billing month by submitting an updated Allocation Form to the Company no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply.
- 7.4. At any given point in time, a CDG Host may have up to only one Anchor Satellite.

8. Calculation of Applied Credit and CDG Subscription Fee

- 8.1. A CDG Satellite's Applied Credit will be calculated each billing period, pursuant to the CDG Net Crediting Tariffs, and equals the portion of the Total Available Credit that offsets the CDG Satellite's Electric Bill in the billing period. A CDG Satellite's applied credit cannot exceed the amount of a CDG Satellite's Electric Bill during an individual billing period. The Company shall use the Applied Credit as the basis to determine the CDG Subscription Fee.
- 8.2. A CDG Subscription Fee will be calculated based a CDG Satellite's Applied Credit each billing period. The CDG Subscription Fee is equal to the amount of the Applied Credit multiplied by a percentage equal to one minus the CDG Savings Rate.
- 8.3. The CDG Savings Rate applied to a CDG Satellite's bill will be the rate in effect for the CDG Satellite's bill period.
- 8.4. When a CDG Satellite is billed, the Company shall apply a net credit to the CDG Satellite's Electric Bill equal to the Applied Credit less the CDG Subscription Fee.
 - 8.4.1. For example:
 - 8.4.1.1. A CDG Satellite has \$120 of Total Available Credit, a monthly Electric Bill of \$100, and the CDG Satellite is enrolled with a

CDG Host whose CDG Savings Rate in effect of the time is 5 percent.

8.4.1.2. The Applied Credit equals \$100, i.e., the portion of the Total Available Credit which can offset the CDG Satellite's Electric Bill. The CDG Subscription Fee shall equal \$95
[$\$100 \times (1 - .05)$], i.e. the Applied Credit multiplied by 1 minus the CDG Savings Rate.

8.5. The Company will provide each CDG Satellite with the net credit on CDG Satellite's Electric Bill.

8.5.1. Continuing the example above, the net credit applied to the CDG Satellite account is \$5 (i.e., 5% CDG Savings rate multiplied by the \$100 Applied Credit)

8.6. If the CDG Host identifies an Anchor Satellite, the Company will not apply any CDG Subscription Fee to the Anchor Satellite's portion of the Applied Credit. An Anchor Satellite will thus receive 100% of the Applied Credit.

8.7. The CDG Host shall not charge Mass Market CDG Satellites any additional fee or otherwise require additional payment outside of the Net Crediting Program.

9. **Payment to CDG Host**

9.1. The basis of the Company's monthly payment to a CDG Host shall equal the CDG Subscription Fees less the Utility Administration Fees.

9.1.1. The CDG Subscription Fee are calculated for each CDG Satellite, excluding an Anchor Satellite (if applicable) pursuant to section 8 above.

9.1.2. The Utility Administrative Fees shall be calculated from the Applied Credits to CDG Satellites, excluding the Applied Credit to an Anchor Satellite.

9.1.2.1. For each Applied Credit to a CDG Host's CDG Satellites in a billing month (excluding the Applied Credit to an Anchor Satellite), the Utility Administrative Fee shall equal the Applied Credit multiplied by the Utility Administrative Fee Rate

9.1.2.2. The Company shall use the Utility Administrative Fee Rate set in the Company's *Statement of Value of Distributed Resources Value Stack Credits* (VDER-CRED Statement), as approved by

the Commission, and in effect when the CDG Subscription Fee is calculated by the Company.

9.1.2.3. The Utility Administrative Fee Rate was initially set at 1% and may be updated by the Commission from time to time.

9.1.2.4. Continuing the example in 8.4.1 above, if the Utility Administrative Fee is 1 percent at the time the Company calculates the Applied Credit, then the Utility Administrative Fee shall equal \$1 (\$100 Applied Credit multiplied by the Utility Administrative Fee Rate of 1 percent). Therefore, the payment to the CDG Host by the Company under the Net Crediting Program is \$89 (\$90 CDG Subscription Fee less \$1 Utility Administrative Fee).

9.2. The payment by the Company to the CDG Host in accordance with the ACH Payment Authorization Form provided by the CDG Host in its initial application, or as may be amended.

9.3. The CDG Host may amend its ACH Payment Authorization by completing a new ACH Payment Authorization Form (Appendix E).

9.4. The payment by the Company to the CDG Host shall be remitted within 30 days of the conclusion of the billing month.

9.5. The payment shall reflect the CDG Subscription Fees, less the Utility Administration Fees, computed by the Company in a billing month.

9.6. The Company shall provide in each billing month, a statement to the CDG Host which itemizes, by CDG Satellite, the CDG Subscription Fees net of Utility Administrative Fees to be included in the CDG Host payment for the billing month.

10. Unenrollment

10.1. To unenroll from the Net Crediting Program, a CDG Host must complete and submit an updated CDG Host Certification Form.

10.2. The Company will unenroll the CDG Host, and all its CDG Satellites, in the billing month that begins at least 45 days after submission of the request.

10.3. A CDG Host that unenrolls in from the Net Crediting Program shall be credited pursuant to the Company's Tariff or PASNY Tariff with the exclusion of Net Crediting Provisions.

- 10.4. A CDG Host may re-enroll in the Net Crediting Program pursuant to provision 3.11.

11. Removing CDG Satellites

- 11.1. To remove a CDG Satellite from its project, and thus from the Net Crediting Program as well, the CDG Host shall update its CDG Allocation Request for the disposition of Monthly Allocated Credit and shall not include the CDG Satellite that is removed from the project.
- 11.2. A former CDG Satellite that is removed from a CDG project (i.e., is no longer allocated credit) shall receive the full value of the Applied Credit, reflecting any remaining credit from the preceding billing month that was carried forward to the current billing period, and without any CDG Subscription Fee being netted. The CDG Host formerly associated with the removed CDG Satellite will not receive a CDG Subscription Fee for such credits.
- 11.3. A former CDG Satellite with Total Available Credit from a prior CDG Host may not enroll with another CDG Host until the Total Available Credit is reduced to zero.
- 11.4. If a CDG Satellite account is closed or otherwise finalized, the Company will indicate as such in the monthly CDG Host Statement provided to the CDG Host.

12. CDG Host Change of Ownership

- 12.1. The CDG Host shall notify the Company of any change in ownership of the CDG project or ownership structure at least 60 days prior to the effective date of the change.
- 12.2. For the purposes of the Net Crediting Program, the new owner or entity shall constitute a new CDG Host. The new owner or entity shall execute and submit all required payment documents listed in the enrollment documentation pursuant to section 3 above, at least 60 days prior to their effective date.

13. Customer Care

- 13.1. The Company shall be responsible for resolving utility billing-related customer inquiries and complaints. In the case of customer inquiries to the Company related to the CDG Host, the Company will promptly provide customers the CDG Host's contact information.

APPENDIX A

NET CREDITING ENROLLMENT FORM/APPLICATION CHECKLIST

Project ID (assigned by Con Edison during the project's interconnection): _____

Project Name: _____

Address: _____

CDG Host's Con Edison Account Number (if available): _____

Contact Name, Phone Number and Email Address for questions: _____

The CDG Host shall submit the following documents along with this checklist to the Company in the manner indicated. Once the Company receives all completed forms, the 60 day Enrollment Period will begin. The Company will notify the CDG Host via email upon receipt of all completed enrollment documents.

1. Checklist – upload to PowerClerk
2. Net Crediting Agreement – sign and date; then upload to PowerClerk
3. CDG Host Certification Form – upload to PowerClerk
4. CDG Subscriber Allocation Request – complete, sign and date; then upload to PowerClerk
5. Payment information – complete and submit to cdgdevelopers@coned.com
 - a. ACH Payment Request form
 - b. Most recent IRS Form W-9
 - c. Voided check or Bank Letter

Project Name as it is to appear on CDG Satellites' bills: _____

Project Contact Phone Number to appear on Satellites' bills: _____

APPENDIX B

NET CREDITING COMMUNITY DISTRIBUTED GENERATION HOST CERTIFICATION FORM

Please submit this form in Power Clerk during the interconnection application. Subsequent allocation forms can be submitted via PowerClerk.

Check One:

☐	Initial CDG Host Certification
☐	Annual CDG Host Certification

CDG Satellite Account Information

The CDG Host shall designate at least ten CDG Satellite Accounts with this initial application, all located in the Company's service territory. The ten satellite minimum is waived if all Satellite Accounts are located on the same property as the CDG Host. No satellite shall have on-site net metered or value stack generation or receive credits from another net-metered or value stack Host account. This list will be provided at least 60 days before the first CDG bill. The CDG Host shall submit this information via the attached form provided in Appendix C.

CDG Host Certification

☐ I certify that this CDG application meets all terms and conditions of Rider R and requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082, Case 15-M-0180, Case 19-M-0463, and Case 15-E-0751 as they may be amended or superseded from time to time.

☐ I certify that the CDG Satellite Accounts with demands of 25kW or greater listed with this application receive, in aggregate, no more than 40 percent of the generator's output.

☐ I certify that each CDG Satellite Account is receiving at least 1,000 kWh annual but is not receiving credits in excess of the CDG Satellite Account's historic average annual kWh usage (or forecast usage if historic data is not available).

☐ I certify that all CDG Satellite Accounts, whether submitted with this application or subsequently, are located within the Company's service territory.

☐ I certify that the sponsor of this project meets creditworthiness standards as described in the October 16, 2015 Order in Case 15-E-0082, as they may be amended or superseded from time to time.

☐ I certify that the sponsor of this project will satisfy all obligations assumed with respect to Satellite Account owners (project members).

☐ I certify that the sponsor of this project will not charge any additional fee or otherwise require additional payment outside of the net crediting arrangement to Mass Market CDG Satellite Accounts.

☐ I certify that the sponsor of this project has disclosed the CDG Savings Rate to all CDG Satellites, excluding an Anchor Satellite if applicable.

☐ To the best of my knowledge the information provided herein is accurate and no attempt has been made to misrepresent the facts.

☐ I will re-submit these certifications to Con Edison on an annual basis.

<Continued next page>

Name of Applicant (Please print) _____

Host Utility Account Number _____

Signature _____

Date _____

Telephone _____

Email _____

Affiliation to person responsible for account (Check one)

☐ Owner ☐ Partner ☐ Agent [Attach documentation of authorization by Principal] ☐ Corporate Officer

☐ Other (specify)_____

APPENDIX C

CDG NET CREDITING ALLOCATION REQUEST FORM

Note:

This form, which may be submitted electronically, will include the same fields as the non-Net Crediting Allocation Request form with the addition of two additional inputs by the CDG Host:

- 1. Column/field to identify the Anchor Satellite*
- 2. Field for setting or changing the CDG Savings Rate*

Prior to Con Edison's Net Crediting Program launch, this appendix will be updated with screenshots and/or links to the applicable form.

APPENDIX D

Community Distributed Generation Net Crediting Agreement for [CDG Project Name and Identifier]

This Agreement (“Agreement”) is made this _____ day of _____, 20____, between Con Edison Company of New York, Inc. (the “Utility” or “Con Edison”), a New York incorporation with a principal place of business at 4 Irving Place, New York, NY 10003 and _____, a community distributed generation (“CDG”) sponsor (the “CDG Sponsor” or “Sponsor”), a [state] [type of legal entity] with a principal place of business at _____. The Utility and the CDG Sponsor are also individually referred to herein as a “Party” or collectively as “Parties.”

Whereas, the New York State Public Service Commission (“Commission”) first authorized CDG in its July 17, 2015 Order Establishing a Community Distributed Generation Program and Making Other Findings in Case 15-E-0082 to enable a broader community participation in renewable programs;

Whereas, the Commission subsequently issued its March 9, 2017 *Order on Net Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* (“VDER Transition Order”) in Case 15-E-0751 which in part provided for modifications to the compensation of Distributed Energy Resources (“DERs”) by creating the Value Stack compensation mechanism for eligible DERs, including CDG projects;

Whereas, the Commission’s September 14, 2017 *Order on Phase One Value of Distributed Energy Resources Implementation Proposals, Cost Mitigation Issues, and Related Matters* in Case 15-E-0751 directed electric utilities subject to the Commission’s jurisdiction to submit tariffs based on the Value Stack compensation mechanism developed in the VDER Transition Order;

Whereas, under the original CDG construct: the CDG Sponsor enters into a contractual arrangement with the Utility’s electric customers to participate in a CDG project pursuant to which the participating customers (“Satellites”) are billed monthly subscription fees by the CDG Sponsor for their participation in the CDG project per the terms of the contractual arrangement and the Utility calculates and distributes the CDG credits to each Satellite on the Satellite’s electric utility bill, allocated as directed by the CDG Sponsor for the CDG project.

Whereas, on June 18, 2019, the Commission issued its *Notice Seeking Comments Regarding Consolidating Billing for Community Distributed Generation* in Case 19-M-0436, seeking input on modifying the existing CDG construct so that the CDG Sponsor would not have to separately bill the Satellites for the monthly subscription fees for a CDG project;

Whereas, the Commission’s December 12, 2019 Order *Regarding Consolidated Billing for Community Distributed Generation* (“CDG Net Crediting Order”) in Case 19-M-0463 adopted a net crediting model whereby the Utility is to calculate the participating CDG Satellites’ credits, remit a percentage of the value of such credits to the CDG Sponsor, less the Utility Administrative Fee retained by the Utility, and provide the remaining credit value on the CDG Satellites’ electric utility bills (“Net Crediting Program”), thus eliminating the need for the CDG Sponsor to separately bill the participating CDG Satellites for monthly subscription fees;

Whereas, the CDG Sponsor is a DER provider registered with the Commission with a CDG project located at _____, and identified by the Utility as _____ (the “CDG Project”);

Whereas, the CDG Sponsor wishes to enroll the CDG Project in the Net Crediting Program of the Utility;

Whereas, the CDG Sponsor attests that it has entered into valid, fully executed contracts (“Net Crediting Subscription Contracts”) with CDG Satellites who are the Utility’s electric customers for participation in the Net Crediting Program;

Whereas, the Net Crediting Order directs electric utilities to offer the Net Crediting Model for all CDG projects, both new and existing, incorporating both those existing CDG projects receiving Value Stack compensation as well as those receiving volumetric credits, this Agreement addresses only CDG projects generating Value Stack Credits;

Whereas, the Utility has established a billing process to permit the Utility to calculate the total value of the CDG Satellites’ Value Stack Credits, remit a percentage of the value of such credits to the CDG Sponsor (less the Utility Administrative Fee retained by the Utility), and provide the remaining value of such credits on the CDG Satellites’ electric utility bills, allocated as directed by the CDG Sponsor; and

Whereas, the Utility has filed tariff leaves with the Commission effectuating the Net Crediting Program per the CDG Net Crediting Order and is willing to implement the Net Crediting Program for the CDG Project, subject to the terms and conditions of this Agreement, and Commission orders.

NOW THEREFORE, the Parties hereto, each in consideration of the Agreement of the other, which the Parties agree is sufficient, do hereby agree as follows:

1. Definitions. Any capitalized terms used in this Agreement shall be defined as set forth below:

1.1. CDG Sponsor is the entity that organizes, owns, and/or operates a CDG project and identified as the “CDG Host” the Utility’s Electricity Tariffs. A CDG Sponsor may be involved in one or more CDG projects and be otherwise engaged in soliciting

customers, members, or subscribers for a CDG project or CDG projects, through its own employees or agents, on its own behalf. A CDG Sponsor must be registered with the Commission consistent with the Uniform Business Practices for Distributed Energy Resource Suppliers (UBP-DERS).

- 1.2. CDG Sponsor Payment** is the payment from the Utility to the CDG Sponsor representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Utility.
- 1.3. CDG Satellite** is an electric customer of the Utility who is participating in the CDG Project.
- 1.4. CDG Savings Rate** is the rate used to calculate the value of the CDG Project's monthly Value Stack Credits that will be provided by the Utility on CDG Satellites' electric utility accounts, allocated as directed by the CDG Sponsor, where such rate shall not be less than 5 percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Customer, if applicable.
- 1.5. CDG Subscription Fee** is the value of the CDG Project's monthly Value Stack Credits calculated pursuant to Rider R of the P.S.C. No. 10 Electricity Tariff (or the Value Stack Tariff for PASNY Customer-Generators of the P.S.C. No. 12 Electricity Tariff, if applicable) by the Utility and provided to the CDG Sponsor.
- 1.6. Commission** is the New York State Public Service Commission.
- 1.7. Confidential Information** is as defined in Sections 9.1 and 9.2 of this Agreement.
- 1.8. Electricity Tariff** refers to the Utility's effective P.S.C. No. 10, Schedule for Electricity Service, or the Utility's effective P.S.C. No. 12, Schedule for PASNY Delivery Service, as they be applicable to the CDG Sponsor, approved by the Commission and which may be amended or succeeded from time to time.
- 1.9. Excluded Anchor Customer** is a demand-billed, non-mass market Utility electric customer with demand greater than or equal to 25kW that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Sponsor identifies as being excluded from the Net Crediting Program. If the CDG Sponsor notifies the Utility that the CDG Project has an Excluded Anchor Customer, the Utility will not apply the CDG Savings Rate to the calculation of credits to the Excluded Anchor

Customer. Only one Excluded Anchor Customer may be excluded from the Net Crediting Program per CDG Project.

1.10. Net Crediting Program is the Utility's CDG program as implemented pursuant to the Net Crediting Order where the Utility applies a portion of the CDG Project's Value Stack Credits to the CDG Satellites' electric utility accounts and remits the remainder to the CDG Sponsor, less the Utility Administrative Fee.

1.11. Net Crediting Manual is the Utility's detailed guide for implementing the Net Crediting Program. The Net Crediting Manual is maintained by the Utility.

1.12. Net Crediting Subscription Contract is the agreement between the CDG Sponsor and each CDG Satellite participating in the Net Crediting Model.

1.13. Net Member Credits are the resulting credits on the CDG Satellite's electric utility account calculated pursuant to Rider R of the P.S.C. No. 10 Electricity Tariff (or the Value Stack Tariff for PASNY Customer-Generators of the P.S.C. No. 12 Electricity Tariff, if applicable), based on the CDG Project's monthly Value Stack Credits, the applicable CDG Savings Rate, the CDG Satellite's Allocation Percentages, the CDG Satellite's monthly retail charges, and the CDG Satellite's banked credits, including any banked credits allocated from the CDG Sponsor.

1.14. Representative means any contractor, subcontractor, CDG Satellite, or other entity to which Confidential Information may be transferred under this Agreement.

1.15. Utility Administrative Fee is the amount of the monthly value of the CDG Project's Value Stack Credits that the Utility will retain, as approved by the Commission.

1.16. Value Stack Credits are the credits generated from electricity generated from the CDG Project pursuant to Rider R of the P.S.C. No. 10 Electricity Tariff (or the Value Stack Tariff for PASNY Customer-Generators of the P.S.C. No. 12 Electricity Tariff, if applicable) of the Electricity Tariff.

2. Effective Date. This Agreement shall be effective upon execution by the last Party to sign with the Utility's date to commence the Net Crediting Program to be as specified in the Net Crediting Manual.

3. Term/Termination

- 3.1.** This Agreement shall remain in effect until terminated (i) in accordance with its terms or (ii) by an order of the Commission, whichever shall occur first.
- 3.2.** Notwithstanding anything to the contrary elsewhere in this Agreement or in the Electricity Tariff, the Utility, by written notice to the CDG Sponsor, may if permitted in a proceeding, terminate this Agreement in whole or in part with respect to the CDG Project or suspend further performance without terminating this Agreement upon the occurrence of any of the following: (a) the CDG Sponsor or CDG Project terminates or suspends doing business, except where such suspension is caused by Force Majeure; (b) the CDG Sponsor or CDG Project becomes subject to any bankruptcy or insolvency proceeding under federal or state law (and which proceeding is not removed or dismissed within sixty (60) days from the filing thereof), or becomes insolvent, becomes subject to the direct control of a transferee, receiver or similar authority in relation to a bankruptcy or insolvency proceeding, or (except as otherwise provided in Section 15.7) makes an assignment for the benefit of creditors; (c) the CDG Sponsor commits a material breach of any of its obligations under this Agreement with respect to the Net Crediting Program and has not cured such breach within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the breach (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days); or (d) the CDG Project is in material violation of the Utility's electric standards, including but not limited to provisions related to interconnection and safety and has not cured such violation within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the violation (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days). Notwithstanding the aforementioned cure provisions or any other provision of this Agreement, the Utility may take immediate actions with respect to the CDG Project interconnection if deemed necessary by the Utility, in its sole discretion, to protect the safety of the public, customers, or employees, or the operation of the electric system.
- 3.3.** The foregoing notwithstanding, the CDG Sponsor may upon written notice to Utility remove the CDG Project from the Net Crediting Program. The CDG Sponsor and the Utility shall follow the process detailed in the Net Crediting Manual for removal of the CDG Project from the Net Crediting Program. The CDG Sponsor shall notify the

affected CDG Satellites of the removal of the CDG Project from the Net Crediting Program.

4. Representations.

- 4.1.** The CDG Sponsor represents that it is and shall remain in compliance with all applicable laws, tariffs, regulations, and the Utility's electric standards, safety, and cybersecurity standards with respect to the CDG Project during the term of this Agreement including the Electricity Tariff.
- 4.2.** Each person executing this Agreement for the respective Parties represents and warrants that he or she has authority to bind that Party.
- 4.3.** Each Party represents that (a) it has the full power and authority to execute, deliver, and perform its obligations under this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.
- 4.4.** The Utility and the CDG Sponsor shall exercise all reasonable care, diligence and good faith in the performance of their duties pursuant to this Agreement and carry out their duties in accordance with applicable recognized professional standards.
- 4.5.** The CDG Sponsor represents that it is registered with the Commission as provided for in the Uniform Business Practices for DER Suppliers ("UBP-DERS") and will abide by all applicable requirements in the UBP-DERS as it may be amended from time to time by the Commission.

5. CDG Sponsor Rights and Responsibilities

- 5.1.** The CDG Sponsor will enroll the CDG Project and CDG Satellites in the Net Crediting Program pursuant to the Net Crediting Manual. When enrolling a CDG project in the Net Crediting Program, CDG Sponsor shall designate one CDG Savings Rate which will be applicable to all CDG Satellites for the CDG Project, with the exception of the Excluded Anchor Customer.
- 5.2.** The CDG Sponsor shall provide the Utility with all information required in the Net Crediting Manual. The CDG Sponsor shall respond promptly (within no more than two (2) business days) to the Utility's requests for Net Crediting Program related data to the extent such data is required for the Utility to perform hereunder.

- 5.3. The CDG Sponsor shall handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Utility. The Utility will remain responsible for resolving Utility billing-related customer inquiries and complaints.
- 5.4. The CDG Sponsor shall cooperate with and provide the Utility with necessary documentation relating to any transactions resulting hereunder.
- 5.5. The CDG Sponsor shall provide timely and accurate information to the Utility regarding participating CDG Satellites and any other information necessary for the Utility to perform hereunder.
- 5.6. The CDG Sponsor agrees that services rendered by the Utility shall not relieve the CDG Sponsor from any obligation to maintain records or otherwise comply with applicable laws. The CDG Sponsor agrees that it will maintain backup data and files for all information provided to the Utility as protection against loss of such information.
- 5.7. In the event that the CDG Sponsor receives a CDG Satellite subscription payment directly from the CDG Satellite, in error, the CDG Sponsor shall return such payment to the CDG Satellite.
- 5.8. The CDG Sponsor is responsible for notifying the Utility of any changes to CDG Satellite allocations in accordance with the rules and guidelines of the CDG Net Crediting Manual.

6. Utility Rights and Responsibilities

- 6.1. The Utility shall remit the CDG Sponsor Payment to the CDG Sponsor in accordance with the procedures established in the Net Crediting Manual. The CDG Sponsor Payment shall be remitted to CDG Sponsor via Automated Clearing House (ACH), check, or other payment form provided for in the Net Crediting Manual. Such remittance shall be performed at least monthly and shall be completed in a commercially reasonable time frame, and in any event, no later than seventy (70) days after the Utility has applied the CDG Subscription Fee to a CDG Satellite's electric utility bill.
- 6.2. The Utility shall provide Net Member Credits on CDG Satellite electric utility bills, allocated pursuant to the CDG Sponsor's directive, consistent with the Net Crediting Subscription Contract with each CDG Satellite.

- 6.3.** In no event shall the aggregate value of applied net credits, CDG Subscription Fee and Utility Administrative Fee for a given billing cycle exceed the sum of value stack credits and available banked credits for that cycle.
- 6.4.** In the event the Utility is required to cancel and rebill from the CDG Sponsor or CDG Satellites, the CDG Sponsor Payment will reflect the effect of those adjustments. If the CDG Project unenrolls from net crediting and the resultant CDG Subscription Fees differ from the amount originally paid to the CDG Sponsor, the Utility will invoice/refund the CDG Sponsor for the difference.
- 6.5.** The Utility will provide information to the CDG Sponsor utilizing the format, methods, and timeframes defined in the Net Crediting Manual.
- 6.6.** If the CDG Sponsor identifies an Excluded Anchor Customer in the manner set out in the Net Crediting Manual, the Utility will not apply the CDG Savings Rate to the calculation of the Excluded Anchor Customer's Net Member Credit, and will provide the Excluded Anchor Customer with 100 percent of its allocation of the Value Stack Credits in accordance with the Net Crediting Manual procedures and Electricity Tariff.
- 6.7.** The Utility shall be responsible for resolving Utility billing-related customer inquiries and complaints. In the case of customer inquiries to the Utility related to the CDG Sponsor, the Utility will promptly provide customers the CDG Sponsor's contact information.
- 6.8.** For CDG Satellites subscribed to budget billing plans, the Utility is responsible for ensuring their Net Member Credits are subtracted from the current amount due rather than the underlying balance.
- 6.9.** The Utility is responsible for updating and implementing CDG Satellite allocation lists as directed by the CDG Sponsor, in accordance with relevant rules and guidelines of the CDG program.
- 6.10.** The Utility shall provide Net Member Credits to the CDG Satellites within two (2) months after the CDG Sponsor's billing cycle except in the case bi-monthly billed accounts in which case the appropriate time period would be (3) months.
- 7. Utility Compensation.** To compensate the Utility for the provision of the Net Crediting Program, the Utility will retain the Utility Administrative Fee, deducted from the CDG

Sponsor Payment, as described in the Net Crediting Tariff. The Utility may not retain any Utility Administrative Fee in connection with the Excluded Anchor Customer.

- 8. Taxes.** The Utility is not responsible for assessing or collecting any taxes on payments made to the CDG Sponsor. Nothing in this Agreement shall be construed as imposing upon the Utility the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of the CDG Sponsor.

9. Confidential Information

- 9.1.** Except as otherwise provided herein, the Parties agree not to disclose to any third party and to keep confidential, and to cause their affiliates, officers, directors, members, employees and Representatives not to disclose to any third party and to keep confidential, any and all customer information obtained by either Party from the other relating to this Agreement (including but not limited to, all business-sensitive and competitive information disclosed by either Party to the other Party, including billing information, issues, or data associated with any customer). Information described in this paragraph 9.1 and described in paragraph 9.2 of this Section 9 is collectively referred to as “Confidential Information.” Each Party will require its affiliates, officers, directors, members, employees, and Representatives to comply with this Agreement and any other agreement regarding the exchange of Confidential Information, including but not limited to the terms and conditions of an applicable Interconnection Agreement, Data Security Agreement, Professional Services Contract, General Contract Conditions, or Non-Disclosure Agreement.
- 9.2.** In addition, each Party acknowledges that all information furnished and identified by the other Party as being confidential or proprietary information, trade secret, confidential commercial information, critical infrastructure, or other information that is confidential pursuant to state, federal or local law, regulation or rule, is and shall remain the sole and exclusive property of such other Party.
- 9.3.** Information and data provided to the Utility by the CDG Sponsor under this Agreement shall be used by the Utility for the purposes of billing, receiving, depositing, posting, processing and remittance of CDG Satellite utility bill credits or for determining the amounts due the CDG Sponsor. Confidential Information may be disclosed by the receiving Party to its employees, agents, consultants and Representatives on a need-to-know basis only.

- 9.4.** The receiving Party is required to destroy Confidential Information within six (6) years from the date received or the date when the information is no longer required for the operation of the Net Crediting Program, whichever occurs last, and thereafter, to destroy such Confidential Information or, at the request of the disclosing Party, return such Confidential Information.
- 9.5.** The confidentiality obligations of this Article do not apply to information which: (i) is already known to the Party free of any restriction at the time it is obtained from the other Party; (ii) is subsequently learned by one Party from an independent third party free of any restriction and without breach of this Agreement; (iii) is or becomes publicly available through no wrongful act of either Party; (iv) is independently developed by one Party without reference to any Confidential Information of the other; (v) is disclosed by one Party to a third party, with the express written permission of the other Party; (vi) is disclosed to the extent required by applicable laws and regulations or by any subpoena or similar legal process (where the disclosing Party must seek confidential treatment from the appropriate court of law or regulator of competent jurisdiction and must inform the non-disclosing Party as soon as practicable to allow the non-disclosing Party to intervene and seek protection of the Confidential Information); or (vii) is disclosed pursuant to the lawful requirement or formal request of a governmental agency or a party in any regulatory proceeding, provided that if one Party is requested or, in the written opinion of its counsel, legally compelled by a governmental agency or a party in any regulatory proceeding to disclose any Confidential Information of the other Party, such party, to the extent permitted by law, agrees to provide the other Party with prompt written notice of such request so that the other Party has the opportunity to pursue its legal and equitable remedies regarding such potential disclosure. The receiving Party further agrees that if the disclosing Party is not successful in precluding the requesting legal or governmental body from requiring disclosure of the Confidential information, the receiving Party will furnish only that portion of the Confidential Information which, in the written opinion of its counsel, it is legally required to disclose, and will exercise all reasonable efforts to obtain assurances that confidential treatment will be accorded to the Confidential Information.
- 9.6.** Each Party acknowledges and agrees that its breach or threatened breach of this Article may cause the other Party irreparable harm which may not be adequately compensated by monetary damages. Accordingly, in the event of any such breach or threatened breach by either Party, such Party agrees to the granting of equitable relief, including temporary restraining orders or preliminary or permanent injunctions,

in addition to any legal remedies to which the other Party may be entitled, without proof of actual damages.

9.7. The provisions of this Article shall survive the expiration or termination of this Agreement.

10. Resolution of Disputes between Utility and CDG Sponsor

10.1. Each Party agrees to attempt to resolve all disputes arising under this Agreement promptly, equitably, and in a good faith manner.

10.2. If the Parties fail to resolve any dispute under this Agreement within ten (10) days after written notice of the dispute, the Parties agree to submit the dispute to mediation by a mutually acceptable mediator, in a mutually convenient location in New York State, in accordance with the then current International Institute for Conflict Prevention & Resolution Procedure, or to mediation by a mediator approved by the Commission. The Parties agree to participate in good faith in the mediation for a period of up to ninety (90) days. If the Parties are not successful in resolving their disputes through mediation, the Parties may then refer the dispute for resolution to the Commission, which shall maintain continuing jurisdiction over this Agreement.

11. Resolution of Disputes between CDG Sponsor and CDG Satellite. The CDG Sponsor will be responsible for resolution of all inquiries and complaints related to the CDG Project in accordance with its Net Crediting Subscription Contract with CDG Satellites. The Utility will refer to the CDG Sponsor all inquiries and complaints initiated by CDG Satellites arising from or relating to the CDG Project or the Net Crediting Subscription Contract.

12. Indemnification

12.1. The CDG Sponsor shall indemnify, defend, and hold the Utility and its corporate affiliates and their respective officers, directors, trustees, employees, agents, successors, Representatives and assigns harmless from and against any and all loss, liability, damage or expense (including reasonable attorneys' fees), statutory or administrative fines or penalties or claims for injury or damages arising out of the performance of this Agreement or breach thereof.

12.2. The obligations of this Article 12 will survive the expiration, suspension or termination of this Agreement or the Net Crediting Program.

13. Force Majeure

13.1. Neither Party shall be considered in default under this Agreement or responsible in tort, strict liability, contract or other legal theory to the other Party for damages of any description for any interruption or failure of service or deficiency in the quality or quantity of service, or any failure to perform if such failure is caused by factors beyond the Party's reasonable control that by exercise of reasonable diligence the Party is unable to prevent or overcome, including without limitation, storm, flood, lightning, earthquake, explosion, civil disturbance, labor dispute, sabotage, war, insurrection, act of God or the public enemy, action of a court, or public authority ("Force Majeure").

13.2. If any Force Majeure occurs, the Party delayed or unable to perform shall give immediate written notice to the other Party. During the pendency of the Force Majeure, the duties of the Party affected by the Force Majeure conditions shall be abated and shall resume without liability thereafter, provided that an obligation to make payments under this Agreement shall not be excused by the occurrence of an event of Force Majeure.

14. Security Interest. The CDG Sponsor shall, without further consideration and at the CDG Sponsor's expense, use all commercially reasonable efforts to take or cause to be taken, any action, including the execution and delivery of instruments and documents, reasonably requested by the Utility to establish a first priority perfected security interest in favor of the Utility in the amounts included in Value Stack Credits related to the CDG Sponsor's provision of subscription services to CDG Satellites from the CDG Project. The failure by the CDG Sponsor to fulfill any obligation of the CDG Sponsor pursuant to this paragraph shall specifically be deemed a breach of a material term or condition of this Agreement. Nothing in this Section 14 will be deemed to provide Utility with any rights to the CDG Sponsor Payment to CDG Sponsor. If an entity providing material financing to a CDG Sponsor requires the Utility to take a subordinate security interest before it will provide financing to the CDG Sponsor, the CDG Sponsor may request the Utility to take a subordinate interest. The Utility's agreement to take a subordinate security interest to the financier will not be unreasonably withheld, delayed, or conditioned. No subordination agreement by the Utility will be effective unless it is in writing and signed by both Parties.

15. Miscellaneous

15.1. Entire Agreement. This Agreement, all Exhibits and attachments hereto and all documents referenced herein, constitute the entire agreement between the Parties and supersedes all other agreements, communications, and representations. Paragraph headings are for convenience only and are not to be construed as part of this Agreement.

15.2. Amendment. Unless otherwise provided herein, no modification of, or supplement to, the terms and provision stated in this Agreement shall be or become effective without the written consent of both Parties. If the Net Crediting Program is suspended by statute or Commission order, this Agreement will be modified in accordance with such statute or order.

15.3. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same document.

15.4. Severability. In the event that any portion or part of this Agreement is deemed invalid, against public policy, void or otherwise unenforceable by a court of law, the validity and enforceability of the remaining portions thereof shall otherwise be fully enforceable.

15.5. Change in Law. To the extent that new mandatory regulatory, legislative or accounting changes, tax law changes, other regulatory policy changes, or other events materially affect the ability of either Party to comply with the provisions of this Agreement, including but not limited to material financial consequence, managerial, mechanical or technical compliance, the Parties agree to meet and use best efforts to renegotiate the terms and conditions of this Agreement to restore the position of the detrimentally affected Party to a financially neutral position or to be able to meet the managerial, mechanical and technical requirements of compliance. Methods that the Parties may consider to restore the detrimentally affected Party's ability to comply with this Agreement shall include, but not be limited to cost recovery through rates, payment for service by the unaffected Party, technical assistance, or other assistance as may be agreed upon. Renegotiated terms and conditions shall be effective when reduced to writing and signed by both Parties. If the Parties are unable to renegotiate acceptable changes, they may avail themselves of the dispute resolution mechanism set forth in Section 10 of this Agreement, and the existing terms and conditions of this Agreement shall continue to be effective through the conclusion of such dispute resolution mechanism.

15.6. Waiver. No waiver by any Party of any one or more defaults by the other Party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any other present or future default, whether of a like or different character.

No delay by either Party in enforcing any of its rights hereunder shall be deemed a waiver of such rights.

15.7. Assignment.

15.7.1. Neither Party may assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld, delayed or conditioned, provided however that the CDG Sponsor has a right to assign (and/or collaterally assign, in connection with a financing transaction) its right to payments to be made by the Utility hereunder. The CDG Sponsor shall provide the Utility with a copy of the document in which the assignment is made or so much of the document as may be necessary to make clear the identity of the parties thereto and the terms of the assignment. The CDG Sponsor hereby waives any claim against the Utility for making payments pursuant to the assignment.

15.7.2. An assignment, transfer or other disposition of the Utility's rights and obligations under this Agreement resulting from or associated with (i) any restructuring of the assets of the Utility or (ii) any acquisition, consolidation, merger or other form of combination of the Utility by, into, or with any person or entity shall not be subject to the prior notice and consent requirements of this sub-article.

15.7.3. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement. Any assignment, transfer or other disposition of this Agreement, or any rights, duties or obligations hereunder by either Party, except as specifically permitted herein, is in violation of this sub-article and void.

15.8. Subcontracting. Each Party may subcontract all or any portion of the performance to be rendered hereunder without the express approval of the other as to the tasks to be subcontracted and the subcontractor, provided, however that each Party shall be fully responsible for the acts and omissions of its subcontractors and their agents as it is for its own acts and omissions.

15.9. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement. Nothing contained herein shall be deemed to confer any rights or grant any remedies or give any benefit to any third party.

15.10. Relationship of the Parties. This Agreement is not intended, and shall not be construed to create any association, joint venture, agency relationship or partnership between the Parties of to impose any such obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of or otherwise bind the other Party.

15.11. Governing Law. This Agreement is governed by the laws of the State of New York without regard to the doctrines governing choice of law. All disputes arising hereunder shall be brought either before the Commission the state courts of the State of New York, or a federal court located in the State of New York.

15.12. Construction. In the event of any conflict between the provisions of this Agreement and the provisions of the Electricity Tariff, the applicable provisions of the Electricity Tariff shall apply.

15.13. Notices. Except as otherwise provided herein, any notices given under this Agreement shall be in writing and shall be delivered to the recipient Party at the address set forth in Exhibit A, by hand or sent by (a) certified mail, return receipt requested, first class postage prepaid, or (b) nationally recognized courier service. Notices given hereunder shall be deemed to have been given upon receipt or refusal to receive. The address to which such notices shall be given by either Party may be changed by written notice given by such Party to the other Party pursuant to this sub-article.

15.14. Other Remedies. Nothing contained herein shall be construed as a limitation on the right of either Party to pursue any remedy it may have at law or in equity.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

CDG SPONSOR _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

UTILITY _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

EXHIBIT A

All notices and information addressed to the Utility shall be addressed as follows:

Con Edison CDG Billing

4 Irving Pl, 9th Floor

New York, NY 10003

cdgdevelopers@coned.com (preferred)

All notices and information addressed to the CDG Sponsor shall be addressed as follows:

APPENDIX E

CDG HOST PAYMENT AUTHORIZATION

A copy of the Company's ACH Payment Authorization form is available at:

https://apps.coned.com/supplychain/supplier/ACH_form.pdf

A completed copy of the form, with voided check or bank letter and W-9 form, should be securely emailed to cdgdevelopers@coned.com with reference to the CDG Host's Utility Account Number or project ID.

Con Edison

Value Stack and Volumetric CDG

Net Crediting Manual

VERSION HISTORY

No.	Description	Date
v1	Initial version	8/31/2020
v2	Eligibility expanded to Volumetric CDG	**/**/****

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1. Introduction

This Community Distributed Generation (“CDG”) Net Crediting Manual (“Manual”) sets forth Consolidated Edison Company of New York, Inc.’s (“Con Edison” or “Company”) procedural requirements for CDG providers that wish to participate in Net Crediting. By way of background, on July 17, 2015, the Public Service Commission (“PSC” or “Commission”) issued its Order Establishing a Community Distributed Generation Program and Making Other Findings in Case 15-E-0082 (“Community Distributed Generation Order” or “CDG Order”) under which the policies, requirements and conditions for implementing Community Net Metering were established, hereinafter referred to as CDG. Subsequently, on March 9, 2017, the Commission issued its Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters in Case 15-E-0751 (“Value of Distributed Energy Resource Order” or “VDER Order”) in which the policies, requirements, and conditions for CDG were updated to reflect a transition away from net metering. On October 19, 2017, the Commission issued its Order Establishing Oversight Framework and Uniform Business Practices for Distributed Energy Resource Suppliers in Case 15-M-0180 which establishes Uniform Business Practices (“UBP- DERS”) for oversight of distributed energy resources suppliers (“DERS” or “DER suppliers”) and a more specific and detailed set of provisions for CDG providers. Finally, on September 12, 2018, the Commission issued its Order on Value Stack Eligibility Expansion and Other Matters (“Expansion Order”), which enabled more generator technology types to be CDG Hosts.

On December 12, 2019, the Public Service Commission (PSC) issued its Order Regarding Consolidated Billing for Community Distributed Generation in Case 19-M-0463 (Net Crediting Order) which established the policies, requirements and conditions to implement Net Crediting. The terms of service for Community Distributed Generation (CDG) that resulted from the Net Crediting Order are in the Company’s Schedule for Electricity, P.S.C. No. 10 (Tariff) under Rider R, Section F.3.d and the Company’s Schedule for PASNY Delivery Service (PASNY Tariff) under the Value Stack Tariff for PASNY Customer-Generators (collectively, “CDG Net Crediting Tariffs”).

This Manual sets forth the Company’s procedural requirements for CDG providers that wish to participate in Net Crediting, consistent with the requirements outlined in the Orders noted above, the UBP-DERS, and the CDG Net Crediting Tariffs. Additional procedural requirements for CDG providers can be found in Con Edison’s *Community Distributed Generation Procedural Requirements for Value Stack Customers* ([CDG Procedures](#)) and *Community Distributed Generation Procedural Guide for Grandfathered and Phase-One Net Metering* ([Volumetric CDG Procedures](#)).

Typically, a CDG project involves the following three parties: the CDG Host; CDG Satellites (also referred to as Subscribers); and the Company. A CDG Host is the project sponsor and is responsible for owning or operating the generation facility, coordinating the project’s interconnection and operation, and supervising and fostering cooperation among the CDG Satellites. CDG Satellites are the project subscribers who will own or contract for a proportion of the credits accumulated at the generation facility’s meter, as a percentage of the

facility's net hourly export on the CDG Host's account. The Company is responsible for distributing the credits from the CDG Host's account to CDG Satellites in accordance with the CDG Host's instructions and the Company's tariff.

CDG Hosts may enroll in the Net Crediting Program, described herein, under which the Company will apply the savings rate provided by the CDG Host to all of the CDG Satellites in the project (excluding any Anchor Satellite) resulting in a net credit being applied to the CDG Satellites Electric Bills. The Company will remit payment to the CDG Host, on behalf of the CDG Satellites, equal to the CDG Subscription Fees less the Utility Administrative Fees.

The Company may modify this Manual as needed based on experience, utility billing system enhancements, and/or as required by the PSC, including modification of the UBP-DERS. Updates to this Manual will be posted on the Company's website (www.coned.com/dg). In the event of any inconsistency between the Tariff or any PSC order and this Manual, the Tariff or PASNY Tariff and/or PSC orders will govern.

2. Definitions

The capitalized terms included in this Manual shall have the meanings set forth below.

Applied Credit: Equal to the portion of the Total Available Credit that offsets the CDG Satellite's Electric Bill each billing period. A CDG Satellite's applied credit cannot exceed the amount of a CDG Satellite's Electric Bill during an individual billing period. The Company shall use the Applied Credit as the basis to determine the CDG Subscription Fee.

Anchor Satellite: For purposes of this Manual, a CDG Satellite that is billed demand by the Company of 25 kW or greater in the previous 12 months and is designated by the CDG Host to be excluded from Net Crediting Program. The Anchor Satellite is referred to as the Excluded Anchor Customer in the Net Crediting Agreement.

CDG Allocation Request: The CDG Host's instruction to the Company as to the disposition of Monthly Allocated Credit or Host Bank Allocated Credit.

CDG Host: A non-residential customer who owns or operates electric generating equipment eligible under the CDG Net Crediting Tariffs and whose net hourly injected energy produced by its generating equipment is applied to the accounts of CDG Satellites. A CDG Host is also commonly referred to as a CDG Sponsor or CDG Provider.

CDG Host Payment: The payment from the Company to the CDG Host representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Company.

CDG Host Billing Portal: [A link will be provided when the Net Crediting Program is effective.]

CDG Interconnection Portal: The Company's [*Small Distributed Generation Application Portal – 50 kW or Less*](#) or [*Large Distributed Generation Application Portal – 50 kW to 5,000 kW \(5 MW\)*](#), as applicable to the CDG Host's generation facility size.

CDG Satellite: A Con Edison electric distribution customer taking service under the Tariff or PASNY Tariff who is allocated Credits from its CDG Host in accordance with the CDG Net Crediting Tariffs: A CDG Satellite is also commonly referred to as a CDG Subscriber.

CDG Savings Rate: The percentage provided by the CDG Host and used by the Company to calculate the net credit that the Company provides on CDG Satellites' Electric Bills. The CDG Host shall provide a CDG Savings Rate not less than 5 percent. The sum of the CDG Savings Rate and Utility Administrative Fee may not exceed 100 percent. The same CDG Savings Rate is used by the Company for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Satellite, if applicable. The Company shall use the CDG Savings Rate to determine the CDG Subscription Fee, such that the difference between a CDG Satellite's Applied Credit and the CDG Subscription Fee is a net credit on such CDG Satellite's Electric Bill, equal in proportion to the CDG Savings Rate.

CDG Subscription Fee: An amount which reduces the Applied Credit on a CDG Satellite's Electric Bill, such that the CDG Satellite receives a net credit at the CDG Savings Rate. The CDG Subscription Fee represents the amount owed by a CDG Satellite to its CDG Host for the Applied Credit in a billing period. A CDG Subscription Fee is not levied on credits provided by the Company to an Anchor Satellite, if applicable.

Electric Bill: The bill rendered by the Company for a customer's electric utility service. Electric utility service includes energy, customer, demand, or other electric charges. Energy supply costs billed by the Company are included in the Electric Bill amount. If a customer participates in Retail Access pursuant to the Tariff and is not billed by the Company for Retail Access supply charges, and for all PASNY Customers, the Electric Bill does not include electric supply costs. Generally, Electric Bills are rendered monthly pursuant to the Tariff and PASNY Tariff.

Enrollment Period: A 60-day period that begins once the Company receives the completed Enrollment documentation.

Host Bank Allocated Credit: The credit allocated by the CDG Host from the CDG Host's Banked Monetary Credit pursuant to Rider R Section F.3.c of the Tariff or the Community Distribution Generation Section (c) of the Value Stack Tariff for PASNY Customer-Generators in the PASNY Tariff.

Mass Market CDG Satellite: A CDG Satellite taking service under Service Classifications No. 1 or No. 2 of the Tariff.

Monthly Allocated Credit: The credit allocated by the CDG Host for its net hourly injected energy during the CDG Host's billing period, pursuant to Rider R Section F.3.c of the Tariff or the Community Distribution Generation Section (c) of the Value Stack Tariff for PASNY Customer-Generators in the PASNY Tariff.

Net Crediting Agreement: The written contract between the CDG Host and the Company which is a prerequisite for the CDG Host's participation in the Net Crediting Program. A template of the Net Crediting Agreement

Net Crediting Program: A voluntary program offered by the Company to CDG Hosts. The Net Crediting Program authorizes the Company to remit payments to the CDG Host on behalf of CDG Satellites, resulting in a net credit on the CDG Satellite's Electric Bill.

Non-residential Customer: For purposes of the Net Crediting Procedural Manual, a customer billed by the Company under a Service Classification ("SC") other than SC No. 1.

Total Available Credit: The credit available to offset a CDG Satellite's bill. The Total Available Credit is the sum of the Monthly Allocated Credit, Host Bank Allocated Credit (if any), and any remaining credit from the preceding billing month that was carried forward to the current billing period.

Utility Administrative Fee: The amount subtracted from the CDG Subscription Fee to offset the Company's implementation and ongoing costs of the Net Crediting Program. The Utility Administrative Fee is withheld from the CDG Host Payment.

Utility Administrative Fee Rate: The percent of the Applied Credit which is subtracted from the CDG Subscription Fee prior to remittance of the CDG Host Payment. The Utility Administrative Fee was initially set at 1 percent by the Net Crediting Order. The latest Utility Administrative Fee Rate will be available in the Company's tariffed statements.

Credits: Credits associated with a CDG Host's generating equipment which are valued in accordance to the Tariff or PASNY Tariff and allocated to CDG Satellites as a Monthly Allocated Credit or a Host Bank Allocated Credit

3. Enrollment

- 3.1. The CDG Host must comply with the CDG Procedures, except where modified under this Net Crediting Manual.
- 3.2. The CDG Host shall submit the following required enrollment documentation to the Company:
 - 3.2.1. Cover sheet/Enrollment Checklist;
 - 3.2.2. CDG Host Certification Form;
 - 3.2.3. CDG Net Crediting Allocation Request Form ("Allocation Form").
 - 3.2.4. Net Crediting Agreement;
 - 3.2.5. Payment documentation, including Automated Clearinghouse ("ACH") Payment Authorization Form, a voided check or Bank Letter, and most recent IRS Form W-9; and
- 3.3. The enrollment documentation is attached hereto as Appendices A, B, C, D and E respectively.
- 3.4. The Company shall provide notice on its website and CDG Interconnection Portal when applications for enrollment in the Net Crediting Program may be submitted.
- 3.5. The enrollment documentation except for the Payment documentation, shall be submitted to the Company via upload to the CDG Interconnection Portal. The Payment documentation shall be submitted by encrypted email to cdgdevelopers@coned.com. The 60-day Enrollment Period will begin once all enrollment documentation, as specified in 3.2 above, are received by the Company.
- 3.6. Projects that have previously applied for interconnection, whether in-service or not, that also apply to the Net Crediting Program shall submit to the Company all the enrollment documentation specified in 3.2 above, including an updated CDG Host Certification Form and Allocation Form.
- 3.7. During the Enrollment Period the Company will review the submitted enrollment documentation.
- 3.8. After approval of the submitted documentation and when the Enrollment Period ends, Net Crediting will be effective on the CDG Host's subsequent billing date in accordance with the Tariff.

- 3.9. The Company shall counter-sign and execute the Net Crediting Agreement to be effective in accordance with provision 3.8 above.
- 3.10. By submitting a CDG Allocation Request and in its CDG Host Certification Form, the CDG Host certifies that the CDG Host has entered into written contracts with each of its CDG Satellites acknowledging that each CDG Satellite will receive net credits pursuant to the Net Crediting Program.
- 3.11. If a CDG Host has previously participated in the Company's Net Crediting Program, and was unenrolled pursuant to section 10 below, the CDG Host may re-enroll with an effective date no earlier than 12 months from the prior unenrollment. To re-enroll, the CDG Host must complete all required enrollment documentation described herein including executing a new Net Crediting Agreement.

4. Initial CDG Allocation Request

- 4.1. An Initial CDG Allocation Request is required as part of the CDG Host's enrollment in the Net Crediting Program, as described in provision 3.2 above.
- 4.2. The CDG Host shall comply with the CDG Procedures, except as modified below, and the Tariff or PASNY Tariff, as applicable, when completing this form, along with the additional requirements below.
- 4.3. The CDG Host shall designate in its Initial CDG Allocation Request the CDG Host's utility account number, the CDG Satellite utility account numbers that will receive credits under the Net Crediting Program, the allocation percentage to each CDG Satellite utility account number, the initial Savings Rate, and the Anchor Satellite, if any (subject to Sections 6 and 7 below). The Company will notify the CDG Host when submission of a complete and accurate initial allocation request has been accepted by the Company.
- 4.4. The Company shall use the initial CDG Allocation Request for disposition of a CDG Host's Monthly Allocation Credit until such time that a Subsequent CDG Allocation Request is effective.

5. Subsequent CDG Allocation Request

- 5.1. The CDG Host may modify: (1) the list of CDG Satellite to which the CDG Host allocates; and/or (2) the percentage of credits allocated to one or more of its CDG Satellites; and/or (3) the Anchor Satellite. Updates may be submitted once per CDG Host billing month by giving notice to the Company no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply.

- 5.2. To modify a CDG Allocation Request, the CDG Host shall complete and submit an updated Allocation Form included in Appendix C to the Company via the CDG Host Billing Portal. The CDG Host shall comply with the CDG Procedures when completing this form, along with the additional requirements below.
- 5.3. The CDG Host may modify its CDG Savings Rate once every six months by giving notice to the Company no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply, pursuant to section 6 below.
- 5.4. The CDG Host's subsequent allocation request will be effective with the first CDG Host billing period that commences at least 30 days after the Company's receipt of an accepted Allocation Form.

6. CDG Savings Rate

- 6.1. In its initial Allocation Form, submitted pursuant to provision 3.2 above, the CDG Host shall indicate the amount of the CDG Savings Rate applicable to the CDG project.
- 6.2. The CDG Savings Rate shall not be less than five percent, not to exceed two decimal points (*e.g.*, 5%, 6%, 7% and so forth).
- 6.3. The sum of the CDG Savings Rate and Utility Administrative Fee Rate may not exceed 100 percent.
- 6.4. The Company shall use the same CDG Savings Rate for all CDG Satellites subscribed to the CDG Host's project, except for the Anchor Satellite, if applicable.
- 6.5. The CDG Host may update the CDG Savings Rate no earlier than six months from the initial effective date of the CDG Host's enrollment in the Net Crediting Program and no earlier than six months from the effective date of any subsequent change. The CDG Host shall update the CDG Savings Rate by submitting a signed copy of Appendix C to the Company's CDG Host Billing Portal.
- 6.6. The Company will apply the project's CDG Savings Rate to all CDG Satellites' Applied Credits (excluding the Anchor Satellite, if applicable).
- 6.7. If a CDG Host submits an updated CDG Savings Rate as part of its CDG Allocation Request for Host Bank Allocated Credit, the Company will apply this updated CDG Savings Rate for all Applied Credit, including Monthly Allocated Credit, for all CDG Satellites (excluding the Anchor Satellite, if applicable) for at least 6 months from the CDG Savings Rate effective date and until the CDG Host requests a subsequently updated CDG Savings Rate.

7. Anchor Satellite

- 7.1. In each CDG Host billing month, the CDG Host may optionally designate up to one CDG Satellite utility billing account as an Anchor Satellite.
- 7.2. A CDG Satellite that is designated as an Anchor Satellite in a billing month will not participate in the Net Crediting Program and will instead have its credits applied pursuant to the non-Net Crediting CDG Program.
- 7.3. The CDG Host may modify the Anchor Satellite once per CDG Host billing month by submitting an updated Allocation Form to the Company no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply.
- 7.4. At any given point in time, a CDG Host may have up to only one Anchor Satellite.

8. Calculation of Applied Credit and CDG Subscription Fee

- 8.1. A CDG Satellite's Applied Credit will be calculated each billing period, pursuant to the CDG Net Crediting Tariffs, and equals the portion of the Total Available Credit that offsets the CDG Satellite's Electric Bill in the billing period. A CDG Satellite's applied credit cannot exceed the amount of a CDG Satellite's Electric Bill during an individual billing period. The Company shall use the Applied Credit as the basis to determine the CDG Subscription Fee.
- 8.2. A CDG Subscription Fee will be calculated based a CDG Satellite's Applied Credit each billing period. The CDG Subscription Fee is equal to the amount of the Applied Credit multiplied by a percentage equal to one minus the CDG Savings Rate.
- 8.3. The CDG Savings Rate applied to a CDG Satellite's bill will be the rate in effect for the CDG Satellite's bill period.
- 8.4. When a CDG Satellite is billed, the Company shall apply a net credit to the CDG Satellite's Electric Bill equal to the Applied Credit less the CDG Subscription Fee.
 - 8.4.1. For example:
 - 8.4.1.1. A CDG Satellite has \$120 of Total Available Credit, a monthly Electric Bill of \$100, and the CDG Satellite is enrolled with a CDG Host whose CDG Savings Rate in effect of the time is 5 percent.

- 8.4.1.2. The Applied Credit equals \$100, i.e., the portion of the Total Available Credit which can offset the CDG Satellite's Electric Bill. The CDG Subscription Fee shall equal \$95 $[\$100 \times (1 - .05)]$, i.e. the Applied Credit multiplied by 1 minus the CDG Savings Rate.
- 8.5. The Company will provide each CDG Satellite with the net credit on CDG Satellite's Electric Bill.
- 8.5.1. Continuing the example above, the net credit applied to the CDG Satellite account is \$5 (i.e., 5% CDG Savings rate multiplied by the \$100 Applied Credit)
- 8.6. If the CDG Host identifies an Anchor Satellite, the Company will not apply any CDG Subscription Fee to the Anchor Satellite's portion of the Applied Credit. An Anchor Satellite will thus receive 100% of the Applied Credit.
- 8.7. The CDG Host shall not charge Mass Market CDG Satellites any additional fee or otherwise require additional payment outside of the Net Crediting Program.

9. **Payment to CDG Host**

- 9.1. The basis of the Company's monthly payment to a CDG Host shall equal the CDG Subscription Fees less the Utility Administration Fees.
- 9.1.1. The CDG Subscription Fee are calculated for each CDG Satellite, excluding an Anchor Satellite (if applicable) pursuant to section 8 above.
- 9.1.2. The Utility Administrative Fees shall be calculated from the Applied Credits to CDG Satellites, excluding the Applied Credit to an Anchor Satellite.
- 9.1.2.1. For each Applied Credit to a CDG Host's CDG Satellites in a billing month (excluding the Applied Credit to an Anchor Satellite), the Utility Administrative Fee shall equal the Applied Credit multiplied by the Utility Administrative Fee Rate
- 9.1.2.2. The Company shall use the Utility Administrative Fee Rate set in the Company's *Statement of Value of Distributed Resources Value Stack Credits* (VDER-CRED Statement), as approved by the Commission, and in effect when the CDG Subscription Fee is calculated by the Company.

- 9.1.2.3. The Utility Administrative Fee Rate was initially set at 1% and may be updated by the Commission from time to time.
- 9.1.2.4. Continuing the example in 8.4.1 above, if the Utility Administrative Fee is 1 percent at the time the Company calculates the Applied Credit, then the Utility Administrative Fee shall equal \$1 (\$100 Applied Credit multiplied by the Utility Administrative Fee Rate of 1 percent). Therefore, the payment to the CDG Host by the Company under the Net Crediting Program is \$89 (\$90 CDG Subscription Fee less \$1 Utility Administrative Fee).
- 9.2. The payment by the Company to the CDG Host in accordance with the ACH Payment Authorization Form provided by the CDG Host in its initial application, or as may be amended.
- 9.3. The CDG Host may amend its ACH Payment Authorization by completing a new ACH Payment Authorization Form (Appendix E).
- 9.4. The payment by the Company to the CDG Host shall be remitted within 30 days of the conclusion of the billing month.
- 9.5. The payment shall reflect the CDG Subscription Fees, less the Utility Administration Fees, computed by the Company in a billing month.
- 9.6. The Company shall provide in each billing month, a statement to the CDG Host which itemizes, by CDG Satellite, the CDG Subscription Fees net of Utility Administrative Fees to be included in the CDG Host payment for the billing month.

10. Unenrollment

- 10.1. To unenroll from the Net Crediting Program, a CDG Host must complete and submit an updated CDG Host Certification Form.
- 10.2. The Company will unenroll the CDG Host, and all its CDG Satellites, in the billing month that begins at least 45 days after submission of the request.
- 10.3. A CDG Host that unenrolls in from the Net Crediting Program shall be credited pursuant to the Company's Tariff or PASNY Tariff with the exclusion of Net Crediting Provisions.
- 10.4. A CDG Host may re-enroll in the Net Crediting Program pursuant to provision 3.11.

11. Removing CDG Satellites

- 11.1. To remove a CDG Satellite from its project, and thus from the Net Crediting Program as well, the CDG Host shall update its CDG Allocation Request for the disposition of Monthly Allocated Credit and shall not include the CDG Satellite that is removed from the project.
- 11.2. A former CDG Satellite that is removed from a CDG project (i.e., is no longer allocated credit) shall receive the full value of the Applied Credit, reflecting any remaining credit from the preceding billing month that was carried forward to the current billing period, and without any CDG Subscription Fee being netted. The CDG Host formerly associated with the removed CDG Satellite will not receive a CDG Subscription Fee for such credits.
- 11.3. A former CDG Satellite with Total Available Credit from a prior CDG Host may not enroll with another CDG Host until the Total Available Credit is reduced to zero.
- 11.4. If a CDG Satellite account is closed or otherwise finalized, the Company will indicate as such in the monthly CDG Host Statement provided to the CDG Host.

12. CDG Host Change of Ownership

- 12.1. The CDG Host shall notify the Company of any change in ownership of the CDG project or ownership structure at least 60 days prior to the effective date of the change.
- 12.2. For the purposes of the Net Crediting Program, the new owner or entity shall constitute a new CDG Host. The new owner or entity shall execute and submit all required payment documents listed in the enrollment documentation pursuant to section 3 above, at least 60 days prior to their effective date.

13. Customer Care

- 13.1. The Company shall be responsible for resolving utility billing-related customer inquiries and complaints. In the case of customer inquiries to the Company related to the CDG Host, the Company will promptly provide customers the CDG Host's contact information.

APPENDIX A

NET CREDITING ENROLLMENT FORM/APPLICATION CHECKLIST

Project ID (assigned by Con Edison during the project's interconnection): _____

Project Name: _____

Address: _____

CDG Host's Con Edison Account Number (if available): _____

Contact Name, Phone Number and Email Address for questions: _____

The CDG Host shall submit the following documents along with this checklist to the Company in the manner indicated. Once the Company receives all completed forms, the 60 day Enrollment Period will begin. The Company will notify the CDG Host via email upon receipt of all completed enrollment documents.

1. Checklist – upload to PowerClerk
2. Net Crediting Agreement – sign and date; then upload to PowerClerk
3. CDG Host Certification Form – upload to PowerClerk
4. CDG Subscriber Allocation Request – complete, sign and date; then upload to PowerClerk
5. Payment information – complete and submit to cdgdevelopers@coned.com
 - a. ACH Payment Request form
 - b. Most recent IRS Form W-9
 - c. Voided check or Bank Letter

Project Name as it is to appear on CDG Satellites' bills: _____

Project Contact Phone Number to appear on Satellites' bills: _____

APPENDIX B

NET CREDITING COMMUNITY DISTRIBUTED GENERATION HOST CERTIFICATION FORM

Please submit this form in Power Clerk during the interconnection application. Subsequent allocation forms can be submitted via PowerClerk.

Check One:

☐	Initial CDG Host Certification
☐	Annual CDG Host Certification

CDG Satellite Account Information

The CDG Host shall designate at least ten CDG Satellite Accounts with this initial application, all located in the Company's service territory. The ten satellite minimum is waived if all Satellite Accounts are located on the same property as the CDG Host. No satellite shall have on-site net metered or value stack generation or receive credits from another net-metered or value stack Host account. This list will be provided at least 60 days before the first CDG bill. The CDG Host shall submit this information via the attached form provided in Appendix C.

CDG Host Certification

☐ I certify that this CDG application meets all terms and conditions of Rider R and requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082, Case 15-M-0180, Case 19-M-0463, and Case 15-E-0751 as they may be amended or superseded from time to time.

☐ I certify that the CDG Satellite Accounts with demands of 25kW or greater listed with this application receive, in aggregate, no more than 40 percent of the generator's output.

☐ I certify that each CDG Satellite Account is receiving at least 1,000 kWh annual but is not receiving credits in excess of the CDG Satellite Account's historic average annual kWh usage (or forecast usage if historic data is not available).

☐ I certify that all CDG Satellite Accounts, whether submitted with this application or subsequently, are located within the Company's service territory.

☐ I certify that the sponsor of this project meets creditworthiness standards as described in the October 16, 2015 Order in Case 15-E-0082, as they may be amended or superseded from time to time.

☐ I certify that the sponsor of this project will satisfy all obligations assumed with respect to Satellite Account owners (project members).

☐ I certify that the sponsor of this project will not charge any additional fee or otherwise require additional payment outside of the net crediting arrangement to Mass Market CDG Satellite Accounts.

☐ I certify that the sponsor of this project has disclosed the CDG Savings Rate to all CDG Satellites, excluding an Anchor Satellite if applicable.

☐ To the best of my knowledge the information provided herein is accurate and no attempt has been made to misrepresent the facts.

☐ I will re-submit these certifications to Con Edison on an annual basis.

<Continued next page>

Name of Applicant (Please print) _____

Host Utility Account Number _____

Signature _____

Date _____

Telephone _____

Email _____

Affiliation to person responsible for account (Check one)

☐ Owner ☐ Partner ☐ Agent [Attach documentation of authorization by Principal] ☐ Corporate Officer

☐ Other (specify)_____

APPENDIX C

CDG NET CREDITING ALLOCATION REQUEST FORM

Note:

This form, which may be submitted electronically, will include the same fields as the non-Net Crediting Allocation Request form with the addition of two additional inputs by the CDG Host:

- 1. Column/field to identify the Anchor Satellite*
- 2. Field for setting or changing the CDG Savings Rate*

Prior to Con Edison's Net Crediting Program launch, this appendix will be updated with screenshots and/or links to the applicable form.

APPENDIX D

Community Distributed Generation Net Crediting Agreement for [CDG Project Name and Identifier]

This Agreement ("Agreement") is made this _____ day of _____, 20____, between Con Edison Company of New York, Inc. (the "Utility" or "Con Edison"), a New York incorporation with a principal place of business at 4 Irving Place, New York, NY 10003 and _____, a community distributed generation ("CDG") sponsor (the "CDG Sponsor" or "Sponsor"), a [state] [type of legal entity] with a principal place of business at _____. The Utility and the CDG Sponsor are also individually referred to herein as a "Party" or collectively as "Parties."

Whereas, the New York State Public Service Commission ("Commission") first authorized CDG in its July 17, 2015 Order Establishing a Community Distributed Generation Program and Making Other Findings in Case 15-E-0082 to enable a broader community participation in renewable programs;

Whereas, the Commission subsequently issued its March 9, 2017 *Order on Net Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* ("VDER Transition Order") in Case 15-E-0751 which in part provided for modifications to the compensation of Distributed Energy Resources ("DERs") by creating the Value Stack compensation mechanism for eligible DERs, including CDG projects;

Whereas, the Commission's September 14, 2017 *Order on Phase One Value of Distributed Energy Resources Implementation Proposals, Cost Mitigation Issues, and Related Matters* in Case 15-E-0751 directed electric utilities subject to the Commission's jurisdiction to submit tariffs based on the Value Stack compensation mechanism developed in the VDER Transition Order;

Whereas, under the original CDG construct: the CDG Sponsor enters into a contractual arrangement with the Utility's electric customers to participate in a CDG project pursuant to which the participating customers ("Satellites") are billed monthly subscription fees by the CDG Sponsor for their participation in the CDG project per the terms of the contractual arrangement and the Utility calculates and distributes the CDG credits to each Satellite on the Satellite's electric utility bill, allocated as directed by the CDG Sponsor for the CDG project.

Whereas, on June 18, 2019, the Commission issued its *Notice Seeking Comments Regarding Consolidating Billing for Community Distributed Generation* in Case 19-M-0436, seeking input on modifying the existing CDG construct so that the CDG Sponsor would not have to separately bill the Satellites for the monthly subscription fees for a CDG project;

Whereas, the Commission’s December 12, 2019 *Order Regarding Consolidated Billing for Community Distributed Generation* (“CDG Net Crediting Order”) in Case 19-M-0463 adopted a net crediting model whereby the Utility is to calculate the participating CDG Satellites’ credits, remit a percentage of the value of such credits to the CDG Sponsor, less the Utility Administrative Fee retained by the Utility, and provide the remaining credit value on the CDG Satellites’ electric utility bills (“Net Crediting Program”), thus eliminating the need for the CDG Sponsor to separately bill the participating CDG Satellites for monthly subscription fees;

Whereas, the CDG Sponsor is a DER provider registered with the Commission with a CDG project located at _____, and identified by the Utility as _____ (the “CDG Project”);

Whereas, the CDG Sponsor wishes to enroll the CDG Project in the Net Crediting Program of the Utility;

Whereas, the CDG Sponsor attests that it has entered into valid, fully executed contracts (“Net Crediting Subscription Contracts”) with CDG Satellites who are the Utility’s electric customers for participation in the Net Crediting Program;

Whereas, the Net Crediting Order directs electric utilities to offer the Net Crediting Model for all CDG projects, both new and existing, incorporating both those existing CDG projects receiving Value Stack compensation as well as those receiving volumetric credits, this Agreement addresses only CDG projects generating Value Stack Credits;

Whereas, the Utility has established a billing process to permit the Utility to calculate the total value of the CDG Satellites’ Value Stack Credits, remit a percentage of the value of such credits to the CDG Sponsor (less the Utility Administrative Fee retained by the Utility), and provide the remaining value of such credits on the CDG Satellites’ electric utility bills, allocated as directed by the CDG Sponsor; and

Whereas, the Utility has filed tariff leaves with the Commission effectuating the Net Crediting Program per the CDG Net Crediting Order and is willing to implement the Net Crediting Program for the CDG Project, subject to the terms and conditions of this Agreement, and Commission orders.

NOW THEREFORE, the Parties hereto, each in consideration of the Agreement of the other, which the Parties agree is sufficient, do hereby agree as follows:

1. Definitions. Any capitalized terms used in this Agreement shall be defined as set forth below:

1.1. CDG Sponsor is the entity that organizes, owns, and/or operates a CDG project and identified as the “CDG Host” the Utility’s Electricity Tariffs. A CDG Sponsor may be involved in one or more CDG projects and be otherwise engaged in soliciting

customers, members, or subscribers for a CDG project or CDG projects, through its own employees or agents, on its own behalf. A CDG Sponsor must be registered with the Commission consistent with the Uniform Business Practices for Distributed Energy Resource Suppliers (UBP-DERS).

- 1.2. CDG Sponsor Payment** is the payment from the Utility to the CDG Sponsor representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Utility.
- 1.3. CDG Satellite** is an electric customer of the Utility who is participating in the CDG Project.
- 1.4. CDG Savings Rate** is the rate used to calculate the value of the CDG Project's monthly Value Stack Credits that will be provided by the Utility on CDG Satellites' electric utility accounts, allocated as directed by the CDG Sponsor, where such rate shall not be less than 5 percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Customer, if applicable.
- 1.5. CDG Subscription Fee** is the value of the CDG Project's monthly Value Stack Credits calculated pursuant to Rider R of the P.S.C. No. 10 Electricity Tariff (or the Value Stack Tariff for PASNY Customer-Generators of the P.S.C. No. 12 Electricity Tariff, if applicable) by the Utility and provided to the CDG Sponsor.
- 1.6. Commission** is the New York State Public Service Commission.
- 1.7. Confidential Information** is as defined in Sections 9.1 and 9.2 of this Agreement.
- 1.8. Electricity Tariff** refers to the Utility's effective P.S.C. No. 10, Schedule for Electricity Service, or the Utility's effective P.S.C. No. 12, Schedule for PASNY Delivery Service, as they be applicable to the CDG Sponsor, approved by the Commission and which may be amended or succeeded from time to time.
- 1.9. Excluded Anchor Customer** is a demand-billed, non-mass market Utility electric customer with demand greater than or equal to 25kW that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Sponsor identifies as being excluded from the Net Crediting Program. If the CDG Sponsor notifies the Utility that the CDG Project has an Excluded Anchor Customer, the Utility will not apply the CDG Savings Rate to the calculation of credits to the Excluded Anchor

Customer. Only one Excluded Anchor Customer may be excluded from the Net Crediting Program per CDG Project.

1.10. Net Crediting Program is the Utility's CDG program as implemented pursuant to the Net Crediting Order where the Utility applies a portion of the CDG Project's Value Stack Credits to the CDG Satellites' electric utility accounts and remits the remainder to the CDG Sponsor, less the Utility Administrative Fee.

1.11. Net Crediting Manual is the Utility's detailed guide for implementing the Net Crediting Program. The Net Crediting Manual is maintained by the Utility.

1.12. Net Crediting Subscription Contract is the agreement between the CDG Sponsor and each CDG Satellite participating in the Net Crediting Model.

1.13. Net Member Credits are the resulting credits on the CDG Satellite's electric utility account calculated pursuant to Rider R of the P.S.C. No. 10 Electricity Tariff (or the Value Stack Tariff for PASNY Customer-Generators of the P.S.C. No. 12 Electricity Tariff, if applicable), based on the CDG Project's monthly Value Stack Credits, the applicable CDG Savings Rate, the CDG Satellite's Allocation Percentages, the CDG Satellite's monthly retail charges, and the CDG Satellite's banked credits, including any banked credits allocated from the CDG Sponsor.

1.14. Representative means any contractor, subcontractor, CDG Satellite, or other entity to which Confidential Information may be transferred under this Agreement.

1.15. Utility Administrative Fee is the amount of the monthly value of the CDG Project's Value Stack Credits that the Utility will retain, as approved by the Commission.

1.16. Value Stack Credits are the credits generated from electricity generated from the CDG Project pursuant to Rider R of the P.S.C. No. 10 Electricity Tariff (or the Value Stack Tariff for PASNY Customer-Generators of the P.S.C. No. 12 Electricity Tariff, if applicable) of the Electricity Tariff.

2. Effective Date. This Agreement shall be effective upon execution by the last Party to sign with the Utility's date to commence the Net Crediting Program to be as specified in the Net Crediting Manual.

3. Term/Termination

- 3.1.** This Agreement shall remain in effect until terminated (i) in accordance with its terms or (ii) by an order of the Commission, whichever shall occur first.
- 3.2.** Notwithstanding anything to the contrary elsewhere in this Agreement or in the Electricity Tariff, the Utility, by written notice to the CDG Sponsor, may if permitted in a proceeding, terminate this Agreement in whole or in part with respect to the CDG Project or suspend further performance without terminating this Agreement upon the occurrence of any of the following: (a) the CDG Sponsor or CDG Project terminates or suspends doing business, except where such suspension is caused by Force Majeure; (b) the CDG Sponsor or CDG Project becomes subject to any bankruptcy or insolvency proceeding under federal or state law (and which proceeding is not removed or dismissed within sixty (60) days from the filing thereof), or becomes insolvent, becomes subject to the direct control of a transferee, receiver or similar authority in relation to a bankruptcy or insolvency proceeding, or (except as otherwise provided in Section 15.7) makes an assignment for the benefit of creditors; (c) the CDG Sponsor commits a material breach of any of its obligations under this Agreement with respect to the Net Crediting Program and has not cured such breach within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the breach (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days); or (d) the CDG Project is in material violation of the Utility's electric standards, including but not limited to provisions related to interconnection and safety and has not cured such violation within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the violation (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days). Notwithstanding the aforementioned cure provisions or any other provision of this Agreement, the Utility may take immediate actions with respect to the CDG Project interconnection if deemed necessary by the Utility, in its sole discretion, to protect the safety of the public, customers, or employees, or the operation of the electric system.
- 3.3.** The foregoing notwithstanding, the CDG Sponsor may upon written notice to Utility remove the CDG Project from the Net Crediting Program. The CDG Sponsor and the Utility shall follow the process detailed in the Net Crediting Manual for removal of the CDG Project from the Net Crediting Program. The CDG Sponsor shall notify the

affected CDG Satellites of the removal of the CDG Project from the Net Crediting Program.

4. Representations.

- 4.1.** The CDG Sponsor represents that it is and shall remain in compliance with all applicable laws, tariffs, regulations, and the Utility's electric standards, safety, and cybersecurity standards with respect to the CDG Project during the term of this Agreement including the Electricity Tariff.
- 4.2.** Each person executing this Agreement for the respective Parties represents and warrants that he or she has authority to bind that Party.
- 4.3.** Each Party represents that (a) it has the full power and authority to execute, deliver, and perform its obligations under this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.
- 4.4.** The Utility and the CDG Sponsor shall exercise all reasonable care, diligence and good faith in the performance of their duties pursuant to this Agreement and carry out their duties in accordance with applicable recognized professional standards.
- 4.5.** The CDG Sponsor represents that it is registered with the Commission as provided for in the Uniform Business Practices for DER Suppliers ("UBP-DERS") and will abide by all applicable requirements in the UBP-DERS as it may be amended from time to time by the Commission.

5. CDG Sponsor Rights and Responsibilities

- 5.1.** The CDG Sponsor will enroll the CDG Project and CDG Satellites in the Net Crediting Program pursuant to the Net Crediting Manual. When enrolling a CDG project in the Net Crediting Program, CDG Sponsor shall designate one CDG Savings Rate which will be applicable to all CDG Satellites for the CDG Project, with the exception of the Excluded Anchor Customer.
- 5.2.** The CDG Sponsor shall provide the Utility with all information required in the Net Crediting Manual. The CDG Sponsor shall respond promptly (within no more than two (2) business days) to the Utility's requests for Net Crediting Program related data to the extent such data is required for the Utility to perform hereunder.

- 5.3. The CDG Sponsor shall handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Utility. The Utility will remain responsible for resolving Utility billing-related customer inquiries and complaints.
- 5.4. The CDG Sponsor shall cooperate with and provide the Utility with necessary documentation relating to any transactions resulting hereunder.
- 5.5. The CDG Sponsor shall provide timely and accurate information to the Utility regarding participating CDG Satellites and any other information necessary for the Utility to perform hereunder.
- 5.6. The CDG Sponsor agrees that services rendered by the Utility shall not relieve the CDG Sponsor from any obligation to maintain records or otherwise comply with applicable laws. The CDG Sponsor agrees that it will maintain backup data and files for all information provided to the Utility as protection against loss of such information.
- 5.7. In the event that the CDG Sponsor receives a CDG Satellite subscription payment directly from the CDG Satellite, in error, the CDG Sponsor shall return such payment to the CDG Satellite.
- 5.8. The CDG Sponsor is responsible for notifying the Utility of any changes to CDG Satellite allocations in accordance with the rules and guidelines of the CDG Net Crediting Manual.

6. Utility Rights and Responsibilities

- 6.1. The Utility shall remit the CDG Sponsor Payment to the CDG Sponsor in accordance with the procedures established in the Net Crediting Manual. The CDG Sponsor Payment shall be remitted to CDG Sponsor via Automated Clearing House (ACH), check, or other payment form provided for in the Net Crediting Manual. Such remittance shall be performed at least monthly and shall be completed in a commercially reasonable time frame, and in any event, no later than seventy (70) days after the Utility has applied the CDG Subscription Fee to a CDG Satellite's electric utility bill.
- 6.2. The Utility shall provide Net Member Credits on CDG Satellite electric utility bills, allocated pursuant to the CDG Sponsor's directive, consistent with the Net Crediting Subscription Contract with each CDG Satellite.

- 6.3.** In no event shall the aggregate value of applied net credits, CDG Subscription Fee and Utility Administrative Fee for a given billing cycle exceed the sum of value stack credits and available banked credits for that cycle.
- 6.4.** In the event the Utility is required to cancel and rebill from the CDG Sponsor or CDG Satellites, the CDG Sponsor Payment will reflect the effect of those adjustments. If the CDG Project unenrolls from net crediting and the resultant CDG Subscription Fees differ from the amount originally paid to the CDG Sponsor, the Utility will invoice/refund the CDG Sponsor for the difference.
- 6.5.** The Utility will provide information to the CDG Sponsor utilizing the format, methods, and timeframes defined in the Net Crediting Manual.
- 6.6.** If the CDG Sponsor identifies an Excluded Anchor Customer in the manner set out in the Net Crediting Manual, the Utility will not apply the CDG Savings Rate to the calculation of the Excluded Anchor Customer's Net Member Credit, and will provide the Excluded Anchor Customer with 100 percent of its allocation of the Value Stack Credits in accordance with the Net Crediting Manual procedures and Electricity Tariff.
- 6.7.** The Utility shall be responsible for resolving Utility billing-related customer inquiries and complaints. In the case of customer inquiries to the Utility related to the CDG Sponsor, the Utility will promptly provide customers the CDG Sponsor's contact information.
- 6.8.** For CDG Satellites subscribed to budget billing plans, the Utility is responsible for ensuring their Net Member Credits are subtracted from the current amount due rather than the underlying balance.
- 6.9.** The Utility is responsible for updating and implementing CDG Satellite allocation lists as directed by the CDG Sponsor, in accordance with relevant rules and guidelines of the CDG program.
- 6.10.** The Utility shall provide Net Member Credits to the CDG Satellites within two (2) months after the CDG Sponsor's billing cycle except in the case bi-monthly billed accounts in which case the appropriate time period would be (3) months.
- 7. Utility Compensation.** To compensate the Utility for the provision of the Net Crediting Program, the Utility will retain the Utility Administrative Fee, deducted from the CDG

Sponsor Payment, as described in the Net Crediting Tariff. The Utility may not retain any Utility Administrative Fee in connection with the Excluded Anchor Customer.

- 8. Taxes.** The Utility is not responsible for assessing or collecting any taxes on payments made to the CDG Sponsor. Nothing in this Agreement shall be construed as imposing upon the Utility the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of the CDG Sponsor.

9. Confidential Information

- 9.1.** Except as otherwise provided herein, the Parties agree not to disclose to any third party and to keep confidential, and to cause their affiliates, officers, directors, members, employees and Representatives not to disclose to any third party and to keep confidential, any and all customer information obtained by either Party from the other relating to this Agreement (including but not limited to, all business-sensitive and competitive information disclosed by either Party to the other Party, including billing information, issues, or data associated with any customer). Information described in this paragraph 9.1 and described in paragraph 9.2 of this Section 9 is collectively referred to as “Confidential Information.” Each Party will require its affiliates, officers, directors, members, employees, and Representatives to comply with this Agreement and any other agreement regarding the exchange of Confidential Information, including but not limited to the terms and conditions of an applicable Interconnection Agreement, Data Security Agreement, Professional Services Contract, General Contract Conditions, or Non-Disclosure Agreement.
- 9.2.** In addition, each Party acknowledges that all information furnished and identified by the other Party as being confidential or proprietary information, trade secret, confidential commercial information, critical infrastructure, or other information that is confidential pursuant to state, federal or local law, regulation or rule, is and shall remain the sole and exclusive property of such other Party.
- 9.3.** Information and data provided to the Utility by the CDG Sponsor under this Agreement shall be used by the Utility for the purposes of billing, receiving, depositing, posting, processing and remittance of CDG Satellite utility bill credits or for determining the amounts due the CDG Sponsor. Confidential Information may be disclosed by the receiving Party to its employees, agents, consultants and Representatives on a need-to-know basis only.

- 9.4.** The receiving Party is required to destroy Confidential Information within six (6) years from the date received or the date when the information is no longer required for the operation of the Net Crediting Program, whichever occurs last, and thereafter, to destroy such Confidential Information or, at the request of the disclosing Party, return such Confidential Information.
- 9.5.** The confidentiality obligations of this Article do not apply to information which: (i) is already known to the Party free of any restriction at the time it is obtained from the other Party; (ii) is subsequently learned by one Party from an independent third party free of any restriction and without breach of this Agreement; (iii) is or becomes publicly available through no wrongful act of either Party; (iv) is independently developed by one Party without reference to any Confidential Information of the other; (v) is disclosed by one Party to a third party, with the express written permission of the other Party; (vi) is disclosed to the extent required by applicable laws and regulations or by any subpoena or similar legal process (where the disclosing Party must seek confidential treatment from the appropriate court of law or regulator of competent jurisdiction and must inform the non-disclosing Party as soon as practicable to allow the non-disclosing Party to intervene and seek protection of the Confidential Information); or (vii) is disclosed pursuant to the lawful requirement or formal request of a governmental agency or a party in any regulatory proceeding, provided that if one Party is requested or, in the written opinion of its counsel, legally compelled by a governmental agency or a party in any regulatory proceeding to disclose any Confidential Information of the other Party, such party, to the extent permitted by law, agrees to provide the other Party with prompt written notice of such request so that the other Party has the opportunity to pursue its legal and equitable remedies regarding such potential disclosure. The receiving Party further agrees that if the disclosing Party is not successful in precluding the requesting legal or governmental body from requiring disclosure of the Confidential information, the receiving Party will furnish only that portion of the Confidential Information which, in the written opinion of its counsel, it is legally required to disclose, and will exercise all reasonable efforts to obtain assurances that confidential treatment will be accorded to the Confidential Information.
- 9.6.** Each Party acknowledges and agrees that its breach or threatened breach of this Article may cause the other Party irreparable harm which may not be adequately compensated by monetary damages. Accordingly, in the event of any such breach or threatened breach by either Party, such Party agrees to the granting of equitable relief, including temporary restraining orders or preliminary or permanent injunctions,

in addition to any legal remedies to which the other Party may be entitled, without proof of actual damages.

9.7. The provisions of this Article shall survive the expiration or termination of this Agreement.

10. Resolution of Disputes between Utility and CDG Sponsor

10.1. Each Party agrees to attempt to resolve all disputes arising under this Agreement promptly, equitably, and in a good faith manner.

10.2. If the Parties fail to resolve any dispute under this Agreement within ten (10) days after written notice of the dispute, the Parties agree to submit the dispute to mediation by a mutually acceptable mediator, in a mutually convenient location in New York State, in accordance with the then current International Institute for Conflict Prevention & Resolution Procedure, or to mediation by a mediator approved by the Commission. The Parties agree to participate in good faith in the mediation for a period of up to ninety (90) days. If the Parties are not successful in resolving their disputes through mediation, the Parties may then refer the dispute for resolution to the Commission, which shall maintain continuing jurisdiction over this Agreement.

11. Resolution of Disputes between CDG Sponsor and CDG Satellite. The CDG Sponsor will be responsible for resolution of all inquiries and complaints related to the CDG Project in accordance with its Net Crediting Subscription Contract with CDG Satellites. The Utility will refer to the CDG Sponsor all inquiries and complaints initiated by CDG Satellites arising from or relating to the CDG Project or the Net Crediting Subscription Contract.

12. Indemnification

12.1. The CDG Sponsor shall indemnify, defend, and hold the Utility and its corporate affiliates and their respective officers, directors, trustees, employees, agents, successors, Representatives and assigns harmless from and against any and all loss, liability, damage or expense (including reasonable attorneys' fees), statutory or administrative fines or penalties or claims for injury or damages arising out of the performance of this Agreement or breach thereof.

12.2. The obligations of this Article 12 will survive the expiration, suspension or termination of this Agreement or the Net Crediting Program.

13. Force Majeure

13.1. Neither Party shall be considered in default under this Agreement or responsible in tort, strict liability, contract or other legal theory to the other Party for damages of any description for any interruption or failure of service or deficiency in the quality or quantity of service, or any failure to perform if such failure is caused by factors beyond the Party's reasonable control that by exercise of reasonable diligence the Party is unable to prevent or overcome, including without limitation, storm, flood, lightning, earthquake, explosion, civil disturbance, labor dispute, sabotage, war, insurrection, act of God or the public enemy, action of a court, or public authority ("Force Majeure").

13.2. If any Force Majeure occurs, the Party delayed or unable to perform shall give immediate written notice to the other Party. During the pendency of the Force Majeure, the duties of the Party affected by the Force Majeure conditions shall be abated and shall resume without liability thereafter, provided that an obligation to make payments under this Agreement shall not be excused by the occurrence of an event of Force Majeure.

14. Security Interest. The CDG Sponsor shall, without further consideration and at the CDG Sponsor's expense, use all commercially reasonable efforts to take or cause to be taken, any action, including the execution and delivery of instruments and documents, reasonably requested by the Utility to establish a first priority perfected security interest in favor of the Utility in the amounts included in Value Stack Credits related to the CDG Sponsor's provision of subscription services to CDG Satellites from the CDG Project. The failure by the CDG Sponsor to fulfill any obligation of the CDG Sponsor pursuant to this paragraph shall specifically be deemed a breach of a material term or condition of this Agreement. Nothing in this Section 14 will be deemed to provide Utility with any rights to the CDG Sponsor Payment to CDG Sponsor. If an entity providing material financing to a CDG Sponsor requires the Utility to take a subordinate security interest before it will provide financing to the CDG Sponsor, the CDG Sponsor may request the Utility to take a subordinate interest. The Utility's agreement to take a subordinate security interest to the financier will not be unreasonably withheld, delayed, or conditioned. No subordination agreement by the Utility will be effective unless it is in writing and signed by both Parties.

15. Miscellaneous

15.1. Entire Agreement. This Agreement, all Exhibits and attachments hereto and all documents referenced herein, constitute the entire agreement between the Parties and supersedes all other agreements, communications, and representations. Paragraph headings are for convenience only and are not to be construed as part of this Agreement.

15.2. Amendment. Unless otherwise provided herein, no modification of, or supplement to, the terms and provision stated in this Agreement shall be or become effective without the written consent of both Parties. If the Net Crediting Program is suspended by statute or Commission order, this Agreement will be modified in accordance with such statute or order.

15.3. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same document.

15.4. Severability. In the event that any portion or part of this Agreement is deemed invalid, against public policy, void or otherwise unenforceable by a court of law, the validity and enforceability of the remaining portions thereof shall otherwise be fully enforceable.

15.5. Change in Law. To the extent that new mandatory regulatory, legislative or accounting changes, tax law changes, other regulatory policy changes, or other events materially affect the ability of either Party to comply with the provisions of this Agreement, including but not limited to material financial consequence, managerial, mechanical or technical compliance, the Parties agree to meet and use best efforts to renegotiate the terms and conditions of this Agreement to restore the position of the detrimentally affected Party to a financially neutral position or to be able to meet the managerial, mechanical and technical requirements of compliance. Methods that the Parties may consider to restore the detrimentally affected Party's ability to comply with this Agreement shall include, but not be limited to cost recovery through rates, payment for service by the unaffected Party, technical assistance, or other assistance as may be agreed upon. Renegotiated terms and conditions shall be effective when reduced to writing and signed by both Parties. If the Parties are unable to renegotiate acceptable changes, they may avail themselves of the dispute resolution mechanism set forth in Section 10 of this Agreement, and the existing terms and conditions of this Agreement shall continue to be effective through the conclusion of such dispute resolution mechanism.

15.6. Waiver. No waiver by any Party of any one or more defaults by the other Party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any other present or future default, whether of a like or different character.

No delay by either Party in enforcing any of its rights hereunder shall be deemed a waiver of such rights.

15.7. Assignment.

15.7.1. Neither Party may assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld, delayed or conditioned, provided however that the CDG Sponsor has a right to assign (and/or collaterally assign, in connection with a financing transaction) its right to payments to be made by the Utility hereunder. The CDG Sponsor shall provide the Utility with a copy of the document in which the assignment is made or so much of the document as may be necessary to make clear the identity of the parties thereto and the terms of the assignment. The CDG Sponsor hereby waives any claim against the Utility for making payments pursuant to the assignment.

15.7.2. An assignment, transfer or other disposition of the Utility's rights and obligations under this Agreement resulting from or associated with (i) any restructuring of the assets of the Utility or (ii) any acquisition, consolidation, merger or other form of combination of the Utility by, into, or with any person or entity shall not be subject to the prior notice and consent requirements of this sub-article.

15.7.3. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement. Any assignment, transfer or other disposition of this Agreement, or any rights, duties or obligations hereunder by either Party, except as specifically permitted herein, is in violation of this sub-article and void.

15.8. Subcontracting. Each Party may subcontract all or any portion of the performance to be rendered hereunder without the express approval of the other as to the tasks to be subcontracted and the subcontractor, provided, however that each Party shall be fully responsible for the acts and omissions of its subcontractors and their agents as it is for its own acts and omissions.

15.9. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement. Nothing contained herein shall be deemed to confer any rights or grant any remedies or give any benefit to any third party.

15.10. Relationship of the Parties. This Agreement is not intended, and shall not be construed to create any association, joint venture, agency relationship or partnership between the Parties of to impose any such obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of or otherwise bind the other Party.

15.11. Governing Law. This Agreement is governed by the laws of the State of New York without regard to the doctrines governing choice of law. All disputes arising hereunder shall be brought either before the Commission the state courts of the State of New York, or a federal court located in the State of New York.

15.12. Construction. In the event of any conflict between the provisions of this Agreement and the provisions of the Electricity Tariff, the applicable provisions of the Electricity Tariff shall apply.

15.13. Notices. Except as otherwise provided herein, any notices given under this Agreement shall be in writing and shall be delivered to the recipient Party at the address set forth in Exhibit A, by hand or sent by (a) certified mail, return receipt requested, first class postage prepaid, or (b) nationally recognized courier service. Notices given hereunder shall be deemed to have been given upon receipt or refusal to receive. The address to which such notices shall be given by either Party may be changed by written notice given by such Party to the other Party pursuant to this sub-article.

15.14. Other Remedies. Nothing contained herein shall be construed as a limitation on the right of either Party to pursue any remedy it may have at law or in equity.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

CDG SPONSOR _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

UTILITY _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

EXHIBIT A

All notices and information addressed to the Utility shall be addressed as follows:

Con Edison CDG Billing

4 Irving Pl, 9th Floor

New York, NY 10003

cdgdevelopers@coned.com (preferred)

All notices and information addressed to the CDG Sponsor shall be addressed as follows:

APPENDIX E

CDG HOST PAYMENT AUTHORIZATION

A copy of the Company's ACH Payment Authorization form is available at:

https://apps.coned.com/supplychain/supplier/ACH_form.pdf

A completed copy of the form, with voided check or bank letter and W-9 form, should be securely emailed to cdgdevelopers@coned.com with reference to the CDG Host's Utility Account Number or project ID.

Style Definition: TOC 2

Niagara Mohawk Power Corporation

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d/b/a National Grid

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Community Distributed Generation (CDG)

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~~Net Crediting~~ Net Crediting Manual
~~for Value Stack Projects~~

Draft

~~July 31, 2020~~ Effective Date

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July 31, 2020



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Section 1: Introduction

Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid” or the “Company”) provides consolidated billing services for Community Distributed Generation (“CDG”) Hosts and Subscribers as of October 1, 2020 through on-bill recovery of the CDG subscription fee that would have otherwise been remitted directly from the CDG Satellites to the CDG Host. Net Crediting is available for any CDG Project in National Grid’s service territory receiving volumetric or Value Stack compensation under Rule 29 or Rule 40, respectively, of the Company’s PSC 220 Electricity Tariff (“Electricity Tariff”). This Net Crediting Manual sets forth the Company’s program rules and enrollment process and may be amended from time to time by National Grid.

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1.1 Commission Orders Governing Net Crediting and [the National Grid Electricity Tariff](#)

The [Net Crediting](#) program is based on a series of New York Public Service Commission (“Commission”) orders relating to CDG, including:

- *Order Establishing a Community Distributed Generation Program and Making Other Findings* (“Community Distributed Generation Order” or “CDG Order”, in Case 15-E-0082 ([issued](#) July 17, 2015))
- *Order on Net Metering Transition, Phase One of Value of Distributed Energy Resources and Related Matters* (“Value of Distributed Energy Resource Order” or “VDER Order”), in Case 15-E-0751 ([issued](#) March 9, 2017)
- *Order Establishing Oversight Framework and Uniform Business Practices for Distributed Energy Resource Suppliers* (“UBP-DERS”), in Case 15-M-0180 ([issued](#) October 19, 2017)
- *Order on Value Stack Eligibility Expansion and Other Matters* (“Expansion Order”), in Cases 15-E-0751 and 15-E-0082 ([issued](#) September 12, 2018)
- *Order Regarding Consolidated Billing for Community Distributed Generation* (“Net Crediting Order”), in Case 19-M-0463 ([issued](#) December 12, 2019)

Rule [Nos.](#) 29, 36, 37 and 40 of the [Electricity](#) Tariff incorporate the relevant provisions of the aforementioned orders.

1.2 Relationship of this Manual, CDG Net Crediting Agreement, and [the Electricity Tariff](#)

The Net Crediting Order directed the Company to provide consolidated billing services through a [Net Crediting](#) model. The terms of the agreement between the CDG [Host](#) and the Company are governed by the CDG Net Crediting Agreement for each project for which the Company is implementing [Net Crediting](#). National Grid’s Electricity Tariff sets forth the provisions for implementing [Net Crediting](#). This [Net Crediting](#) Manual (“Manual”) provides the details of the administration of the [Net Crediting](#) program. In the event of conflict between provisions of this Manual, the CDG Net Crediting Agreement, and the Electricity Tariff, such conflict will be resolved in the following order of preference: (a) Electricity Tariff; (b) CDG Net Crediting Agreement; and (c) this Manual.

Section 2: Definitions

The definitions in this section include terms also defined in the CDG Net Crediting Agreement and/or in the Electricity Tariff. Inclusion of the definitions in this Manual is for the convenience of the reader only, and any conflict between the definitions below and the CDG Net Crediting Agreement or the Electricity Tariff will be resolved in favor of the Electricity Tariff, the CDG Net Crediting Agreement, and this Manual, in that order.

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Assignee is an entity receiving ownership of a CDG Project from an Assignor in an Assignment of Ownership of a Generating Facility transaction. The Assignee may be authorized to receive CDG Host payments from the Assignor.

Assignee is an entity receiving ownership of a CDG Project from an Assignor in an Assignment of Ownership of a Generating Facility transaction. The Assignee may be authorized to receive CDG Host payments from the Assignor. ~~{need definition indicating that this is the party a CDG Host may authorize to receive the CDG Host payments}~~

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Assignor is the entity transferring ownership of the CDG Project to the Assignee in a Assignment of Ownership of a Generating Facility transaction.

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Available Credits are the CDG Host's monthly credits for excess generation as calculated by the Company multiplied by the allocation percentages for each CDG Satellite, as assigned by the CDG Host.

Available Credits are the CDG Host's monthly ~~value stack~~ credits for excess generation as calculated by the Company multiplied by the allocation percentages for each CDG Satellite, as assigned by the CDG Host.

Calculated Credits are the lesser of the Total Available Credit and the CDG Satellite Monthly Charges for each CDG Satellite.

CDG Credits are the credits generated from the CDG Host pursuant to Rules 29 and 40 of the Electricity Tariff.

CDG Host Anniversary Month is 12 months from the date that the CDG Host received Permission To Operate from the Company.

CDG Project is the community distributed generation project that is an eligible Generating Facility participating in the Net Crediting arrangement pursuant to the terms of a CDG Net Crediting Agreement.

CDG Satellite is an electric customer of the Company who is participating in the CDG Project.

CDG Satellite Monthly Charges are the amounts owed to the Company for the provision of electric service on the CDG Satellite's retail bills.

CDG Satellite Remaining Bill is the remaining electric charges after the CDG Satellite's Net Member Credit is applied.

CDG Savings Rate is the rate used to calculate the value of the CDG ~~Project's monthly Value Stack~~ Credits that will be provided by the Company on CDG Satellites' electric utility accounts, allocated as directed by the CDG ~~Sponsor~~ Host, where such rate shall not be less than 5 percent. The same CDG Savings Rate must be used for all CDG

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Satellites subscribed to the CDG Project, except for the Excluded Anchor Satellite, if applicable.

CDG Host (also sometimes referred to as the **CDG Sponsor**) is the entity that organizes, owns, and/or operates a CDG Project and may be identified as the “CDG Host” in the Company’s Electricity Tariff. A CDG Host may be involved in one or more CDG Projects and be otherwise engaged in soliciting customers, members, or subscribers for a CDG Project or CDG Projects, through its own employees or agents, on its own behalf. A CDG Host must be registered with the Commission consistent with the Uniform Business Practices for Distributed Energy Resource Suppliers (UBP-DERS).

CDG Host Payment is the payment from the Company to the CDG Host representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Company.

CDG Subscription Fee is the resulting value of the CDG Credits, calculated pursuant to Rule 40 of the Electricity Tariff by the Company, net of the Net Member Credits calculated for each CDG Satellite participating in the Net Crediting Program.

Commission is the New York State Public Service Commission.

CSS means customer service system and is the Company’s billing system for customer accounts.

Electricity Tariff is the Company’s effective P.S.C. No. 220, Schedule for Electricity Service Applicable in All Territory Served by the Company, approved by the Commission which may be amended or succeeded from time to time.

Ending Banked Credits is the CDG Satellite’s Total Available Credit minus the CDG Satellite’s monthly electric charges but shall not be less than zero (0).

Excluded Anchor Satellite is a demand-billed, non-mass market Company electric customer with demand greater than or equal to 25 kW that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Host identifies as being excluded from the Net Crediting Program. If the CDG Host notifies the Company that the CDG Project has an Excluded Anchor Satellite, the Company will not apply the CDG Savings Rate to the calculation of credits to the Excluded Anchor Satellite. Only one Excluded Anchor Satellite may be excluded from the Net Crediting Program per CDG Project.

Generating Facility is an asset owned by a non-residential customer that produces electricity from farm waste, solar, wind, micro-hydroelectric, fuel cell or stand-alone energy storage system or those Tier 1 eligible technologies set out in Appendix A of the Commission’s August 1, 2026 Order Adopting a Clean Energy Standard in Case 15-E-

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0302 whose production is compensated according to Rule 29 or Rule 40 of the Electricity Tariff.

Initial Net Crediting Allocation is the first allocation submission by the CDG Host assigning percentages of the generation of the project to the CDG Satellites that have been verified by the Company.

Net Crediting Case stores data and tracks progress of a CDG project in the nCAP portal accessible to the CDG Host and the Company.

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nCAP Portal is the Company's online distributed generation application management system. All applications for interconnection to the distributed generation grid, all CDG allocation requests, and all enrollment and unenrollment requests are processed through this system.

Net Crediting Program is the Company's CDG program as implemented pursuant to the Net Crediting Order where the Company applies a portion of the CDG Credits to the CDG Satellites' electric utility accounts, based on the CDG Savings Rate, and the CDG Satellites' Allocation Percentages, monthly electric charges, and banked credits and remits the remainder to the CDG **Host**, less the Utility Administrative Fee. The Net Crediting Program **is** provided in Rule 29 of the Company's Electricity Tariff.

Net Crediting Manual is the Company's detailed guide for implementing the Net Crediting Program. The Net Crediting Manual is maintained by the Company.

Net Crediting Subscription Contract is the agreement between the CDG **Host** and each CDG Satellite participating in the Net Crediting Program.

Net Member Credits are the resulting credits on the CDG Satellite's electric utility account, calculated based on the CDG Credits, the applicable CDG Savings Rate, the CDG Satellite's Allocation Percentages, the CDG Satellite's monthly retail charges, and the CDG Satellite's banked credits, including any banked credits allocated from the CDG **Host**.

- Net Meter Adjustment Factor is the sum of all volumetric kWh rates associated with the CDG Satellite's retail utility bill during the applicable billing period, including delivery distribution rates, delivery surcharges, electric supply rates, and electric surcharges, net of taxes.

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Non-residential customer is a person, corporation, or other entity receiving service from the Company, who is not a residential customer as defined in 16 NYCRR Part 11.

Prior Excess Generation is any electricity credits banked by the CDG [Host](#) that have not been allocated to the CDG Satellites.

PTO is “Permission to Operate” and is the Company’s official notification that the Generating Facility may be interconnected to and operate in parallel with the electric grid.

Satellite Allocation Percentages are the percentages of the CDG Project’s Credits to be apportioned to each CDG Satellite as specified by the CDG [Host](#).

Secure Email is the transmission of electronic mail through an encryption service or program.

Total Available Credit for each CDG Satellite is the sum of the Available Credits and the current banked credits for the applicable monthly billing period.

Utility Administrative Fee is the amount of the monthly value of the CDG Project’s Value Stack Credits that the Company will retain, as approved by the Commission. The current Utility Administrative Fee is 1.0%.

Volumetric Credits

are the kilowatt-hour (kWh) volumetric credits calculated for the CDG Project’s net excess generation pursuant to Rule 29 of the Electricity Tariff.

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Value Stack Credits are the monetary credits calculated for the CDG Project’s net excess generation pursuant to Rule 40 of the Electricity Tariff.

Section 3: Net Crediting Framework

3.1 CDG Net Crediting and Traditional CDG Compared

For a traditional CDG project (non-[Net Crediting](#)), the [Generating Facility](#) injects electricity into the distribution grid. In return, the utility allocates bill credits to the CDG Satellites. The CDG [Host](#) then collects a subscription fee from each CDG Satellite customer for the energy they used from the [Generating Facility](#).

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Net Crediting eliminates the need for the CDG **Host** to collect a subscription fee from each CDG Satellite. Instead, the Company provides a credit on the bill of each CDG Satellite that represents the difference between the value the CDG Satellite would receive from the CDG **Host** and the amount they would owe the CDG **Host** (*i.e.*, the subscription fee) for that value. The Company then remits the remaining amount (representative of the subscription fees), minus the Utility Administrative Fee, to the CDG **Host**.

Additional information on how the Company is calculating values under the **Net Crediting** model can be found in Section 8.3: Calculation of CDG **Host** Payment, CDG Satellite Net Credits, and Utility Administrative Fee.

3.2 Features of Net Crediting

The **Net Crediting** model is intended to remove some barriers to CDG participation, thereby increasing the interested customer base for CDG projects, and promoting clean, renewable electric generation. The CDG **Host** may benefit through access to consolidated billing services, default risk management, increased customer participation, more secure revenues, and lower financing costs. Subscribing customers (*i.e.*, CDG Satellites) may benefit through lower electricity bills, a single bill, and reduced barriers to participation.

Section 4: CDG Host Eligibility Provision

All CDG projects, including existing projects that are interconnected [to the electric grid](#) and projects that are filing for interconnection, are eligible to participate in the Net Crediting Program.

Participating CDG Hosts must be registered with the Commission in accordance with the Uniform Business Practices for DER Suppliers ("UBP-DERS") and conform to the relevant requirements in the Net Crediting Order.

Participating CDG Hosts must be registered with the Commission in accordance with the Uniform Business Practices for DER Suppliers ("UBP-DERS") and conform to the relevant requirements in the Net Crediting Order.

Section 5: Enrollment, Unenrollment and Re-enrollment in Net Crediting

5.1 Enrollment Process and Enrollment Period

CDG Hosts may enroll a project in ~~net-crediting~~**Net Crediting** for any interconnection application or eligible interconnected generating facility via the nCAP portal

<https://gridforce.my.site.com/s/CDG-Introduction> ~~[placeholder for link to nCAP Net Crediting landing page]~~. Enrollment in ~~net-crediting~~**Net Crediting** is on a per project basis. ~~The enrollment request should be submitted by the billing customer as listed in the interconnection project case and must be submitted sixty (60) days prior to when the CDG host wants to start net-crediting (for connected projects) or sixty (60) days prior to a project's expected interconnection date (for projects in the interconnection queue).~~ The [billing account number](#).

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interconnection project (nCAP) case number and a [net crediting](#) Net Crediting application are required [sixty \(60\) days prior to PTO, or the conversion to net crediting](#) Net Crediting for connected projects, as part of the [enrollment process](#). The CDG Host is to [submit the Net Crediting application](#) to the CDG Host by the CDG Host to the Company NG. [review the application and communicate any necessary revisions. Once the application is deemed complete](#) is approved, the Company NG will send a [prepopulated Net Crediting Agreement to be executed by the CDG Host](#) to the Company NG. The CDG Host will [sign the Net Crediting Agreement](#) and submit it to the CDG Host to the Company NG. [The CDG Host will submit the Net Crediting application](#) including [execution of the Net Crediting Agreement](#), the Company will send instructions via [encrypted](#) email to the applicant on how to submit documentation for vendor payment setup in the Company's accounts payable system. ACH and banking information must be sent in encrypted format to [NetCrediting.NY@nationalgrid.com](#) [NetCrediting.NY@nationalgrid.com](#).

The sixty (60) day enrollment period [for Net Crediting](#) begins upon receipt by the Company of all completed documentation. [The Net Crediting enrollment process is completed when the CDG Host receives a Vendor ID and has submitted the Initial Net Crediting Allocation paperwork.](#) The Company will provide enrollment approval confirmation [which](#) includes a countersigned [Net Crediting Agreement](#). [Net Crediting](#) will be effective on the CDG Host's subsequent billing date after enrollment approval. This date will be communicated to the CDG Host via the nCAP portal.

Appendix H illustrates the enrollment process for the CDG Host.

[Enrollment Process Status Bar](#)

A status bar showing the steps and progress throughout the enrollment period will be visible on the enrollment request record [in the nCAP portal](#) as shown in Figure 1 [below](#).



Figure 1. nCAP status bar showing enrollment status

[Enrollment Process Steps](#)

The steps for the enrollment process are defined and listed below in chronological order:

- [Application](#) – means application is waiting for review. The submitter will receive a [Case Number](#) to enable tracking of the request in the nCAP portal.
- [Pending e-Signature \(CDG Host\)](#) – means the [Net Crediting application has been reviewed and the Net Crediting agreement has been uploaded to the Net Crediting Case](#) for signature by the [CDG Host](#). This upload signals the Company to send an [encrypted email to be sent with the additional documents and instructions required to complete enrollment process.](#)
- [Awaiting Pending e-Signature \(CDG Host\)](#) – means that the [Net Crediting application has been reviewed and the Net Crediting Agreement will be has been uploaded to the Net Crediting Case to the Case# is ready](#)

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for signature by the CDG Host billing customer. Then This upload signals the Company to send an encrypted email to be sent with the additional required documents and instructions required to complete enrollment process. will be sent via encrypted email.

- Awaiting ACH Information – means that the ACH form, W-9, and banking information needs to be submitted by the CDG Host to the Company through the NetCrediting.NY@nationalgrid.com mailbox.
- Submitted – means that the ACH form, W-9, signed Net Crediting agreement, and banking information has been received by the Company and sent to SAP for review.
- Pending Counter-signature – means that the Vendor ID has been issued and the Company is waiting for Initial Net Crediting Allocation to be submitted for review. Once submitted, the Company will countersign the Net Crediting Agreement as the final step.

~~Submitted – means that the ACH, W-9, and signed Net Crediting agreement has been received by the Company and sent to SAP for review.~~

- ~~Awaiting-Pending~~ Counter-signature – means that the Vendor ID has been issued and the Company is waiting for Initial Net Crediting Allocation to be submitted for review. Once submitted, the Company will countersign the Net Crediting Agreement ~~will be executed~~ all documentation is under review and the agreement will be countersigned by the Company as the final step.
- Approved – means that the Net Crediting enrollment process is complete and Net Crediting will begin on the next CDG host bill date. The Company will communicate the CDG project's approved status for Net Crediting via the nCAP portal's chatter function. The specific bill period for commencement of Net Crediting will be communicated via the nCAP portal's chatter function under the Initial Net Crediting Case.

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5.2 Checklist of Documents Required for Enrollment

Document	How to Submit
Net Crediting Application	Initiated by CDG Host through the Company's nCAP portal.
Net Crediting Agreement	Created by the Company and uploaded to the nCAP portal for CDG Host review and signature. Generated by nCAP portal for either online or offline signature; submitted via nCAP portal
ACH Form	Completed by CDG Host and returned by encrypted email to NetCrediting.NY@nationalgrid.com
W-9	Completed by CDG Host and returned by encrypted email to NetCrediting.NY@nationalgrid.com

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Photocopy of Voided Check (or may substitute Bank Letter)	Provided by CDG Host by encrypted email to NetCrediting.NY@nationalgrid.com
~~Data Security Agreement~~	~~Through nCAP portal if CDG Host will be administering allocation lists and has not already submitted a DSA~~
~~W-9~~	~~By encrypted email to NetCrediting.NY@nationalgrid.com~~
~~Photocopy of Voided Check (or may substitute Bank Letter)~~	~~By encrypted email to NetCrediting.NY@nationalgrid.com~~
Bank Letter (or may substitute Photocopy of Voided Check)	By encrypted email to NetCrediting.NY@nationalgrid.com
Data Security Agreement	Completed by CDG Host and returned through nCAP portal if CDG Host will be administering allocation lists and has not already submitted a DSA to the Company .
CDG Host Certification Form	Completed by CDG Host and returned through nCAP portal
Distributed Energy Resources Registration Compliance Affirmation Form Template	Completed by CDG Host and returned through nCAP portal
Letter of Authorization - if a CDG Host Billing Customer will be authorizing a third-party billing company to submit allocations or other billing forms on their behalf	Provided by CDG Host through nCAP portal

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5.3 Unenrollment Process

To unenroll a project from ~~net-crediting~~Net Crediting, the CDG Host must submit an unenrollment request through the nCAP portal at least thirty (30) days prior to the bill date for which the CDG Host wants ~~net-crediting~~Net Crediting to cease. The unenrollment request ~~shall~~ [will](#) include a termination letter with self-certification that CDG Satellites have been notified of the unenrollment and that they will no longer receive on-going net credits from the CDG Host project. Unenrollment requests submitted by means other than the nCAP portal will not be accepted. ~~The Company~~National Grid will confirm receipt of the unenrollment request and advise on ~~what~~[which](#) CDG Host billing date ~~net-crediting~~Net Crediting will cease. The CDG Host is responsible for notifying the CDG Satellites of the termination of the ~~net-crediting~~Net Crediting methodology. Treatment of banked credits on the CDG Satellites is described in Section 9 of this Manual. Appendix I illustrates the unenrollment process for the CDG Host.

5.4 Re-enrolling in Net Crediting After Unenrolling

A CDG Host that unenrolls from ~~net-crediting~~Net Crediting cannot re-enroll in ~~net-crediting~~Net Crediting less than 12 months from the billing period in which the unenrollment became effective. To re-enroll, the CDG Host must submit a new enrollment application. The 60-day enrollment period ~~is included~~[may start with](#)in the 12-month “sit out” period.

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Section 6: Initial, Subsequent and Host Bank Allocations

6.1 Initial Allocation Request

A CDG Host

may submit an initial allocation request for pre-validation at the time of enrollment.

The allocation must be submitted through the nCAP portal using the template in Exhibit B.
The allocation must be submitted through the nCAP portal using the template in Exhibit B.
The allocation must be submitted through the nCAP portal using the template in Exhibit B. Allocation requests not submitted through the nCAP portal using the Company template will not be processed. The template requires the CDG Host to enter the project's CDG Savings Rate and identify the Excluded Anchor Satellite, if applicable. Pre-validation of the initial allocation request will follow the guidance established by the Commission through the CDG Billing and Crediting Working Group. The CDG Host is responsible for ensuring that all allocation requests comply with Rule 29.2.3 of the Electricity Tariff where no more than 40 percent of the output of the CDG Project may serve CDG Satellites of 25 kW demand or greater, in aggregate ("CDG 60/40 Rule").

If a valid initial allocation request is not provided by the time the CDG Host is issued PTO, CDG credits are banked on the CDG Host account until such time a valid allocation request is received and processed by the Company.

6.2 Subsequent Allocation Requests

For CDG projects that are already connected and participating as a CDG Host, a CDG Host may submit a subsequent allocation request for pre-validation as a new case in the nCAP portal. The allocation request must be submitted using the template in Exhibit B, which will be available through the nCAP portal. Allocation requests not submitted on the Company template using the nCAP portal will not be processed. This template will require the CDG Host to enter the project's CDG Savings Rate and identify the Excluded Anchor Satellite, if applicable. Pre-validation of the allocation request will follow the guidance established by the Commission through the CDG Billing and Crediting Working Group. The CDG Host is responsible for ensuring that all allocation requests comply with the CDG 60/40 Rule as defined in Rule 29.2.3 of the Electricity Tariff.

See Appendix J for the subsequent allocation request process.

6.3 Host Bank Credit Allocation Requests

~~For projects that have reached their 12-month anniversary of their PTO date, in any billing cycle in which~~ a CDG Host ~~has excess unallocated credits to apply to satellites, it~~ may submit an allocation request ~~as a new case in the nCAP portal. to apply any banked credits on the CDG Host account to the CDG Satellites. The allocation request must be submitted using the template in Exhibit B, which will be available through the nCAP portal.~~ Pre-validation of the allocation list may be requested through the nCAP portal using the template in Exhibit B. Allocation requests not submitted on the Company template through the nCAP portal will not be processed. The CDG Savings Rate as applied to the host bank allocation must be the same as

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the CDG ~~Sponsor's Host's~~ most recent processed allocation unless the CDG ~~Sponsor Host~~ is concurrently making a CDG Savings Rate change. In order to make a savings rate change, the CDG Host will need to make a separate DG Inquiry request through the nCAP portal. during the allowed months as described in the "Specifying the CDG Savings Rate" in Section 6.5 of this Manual. The CDG Host is responsible for ensuring that all allocation requests comply with the CDG 60/40 Rule as defined in Rule 29.2.3 of the Electricity Tariff.

6.4 Identifying Excluded Anchor Satellite

The CDG Host may identify up to one anchor customer account to exclude from Net Crediting. The Excluded Anchor Satellite shall be a demand billed customer with a historical maximum demand over the most recent 12 months of more than 25 kW, if such history is available, and must be billed on a non-mass market service class. If such billing history of the Excluded Anchor Satellite is not available, then the Company will decide in its best judgment if the satellite meets s this demand criteria until the first full year of billing data is available to verify. The Excluded Anchor Satellite's allocation will count towards the 40% bucket in the CDG 60/40 Rule in Rule 29.2.3 of the Electricity Tariff. The Excluded Anchor Satellite may be changed on any subsequent allocation; however, there may no more than one Excluded Anchor Satellite per CDG project at a time. A large SC1 customer (e.g., a religious institution or a farm) is not eligible to be an Excluded Anchor Satellite. Excluded Anchor Satellite changes must be submitted on the allocation request no less than thirty (30) days prior to the CDG Host account's billing date to which the modifications apply.

6.5 Specifying the CDG Savings Rate

The CDG Savings Rate shall be specified on each initial allocation request and subsequent allocation request and shall be no less than 5% and no greater than 100 % minus the Utility Administrative Fee (currently 1%). If the CDG Savings Rate specified on any allocation request is less than the previously submitted rate, the CDG Host must certify that the CDG Satellites have been informed of the lower CDG Savings Rate by certifying in the appropriate place on the allocation request.

The CDG Savings Rate can be specified up to two decimal places expressed in whole percentage increments (e.g., 5%, 6% etc.) and must be the same for all CDG Satellites of the CDG Host, except for the Excluded Anchor Satellite. Different CDG Savings Rates for CDG Satellites are not permitted.

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Section 7: CDG Host Rights and Responsibilities

7.1 Data Security Agreements

Any entity that is exchanging confidential customer information via the Company's interconnection portal (nCAP) must execute a Data Security Agreement in accordance with the Commission's *Order Establishing Minimum Cybersecurity and Privacy Protections and Making*

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Other Findings in Case [18-M-0376](#). More information on the Company's requirements for Data Security Agreements may be found at: <https://ngus.force.com/s/article/NY-BUSINESS-Interconnection-Documents>

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7.2 Overpayments by Subscribers

If the CDG Host receives a CDG Satellite subscription fee payment directly from the CDG Satellite for a project enrolled in the CDG Net Crediting Program, the CDG Host [shall](#) return such payment to the CDG Satellite.

7.3 Handling CDG Satellite Customer Inquiries

The CDG Host is [primarily](#) responsible for handling inquiries and complaints from CDG Satellites related to the CDG Project. [The Company will assist with such inquiries if beyond the scope or knowledge of the CDG Host. CDG Satellite inquiries should be submitted using the "contact us" button at https://gridforce.my.site.com/s/ny-home for proper tracking and work queuing.](#)

Section 8: Utility Responsibilities

8.1 Historical Usage Requests

The Company will provide historical usage data upon request by the CDG Host. The Company recommends that CDG Hosts use the Company's EDI system to facilitate and expedite requests for historical usage data. A CDG Host may request access to the Company's EDI system by submitting a request using the "contact us" function at: <https://ngus.force.com/s/>

[A 12-month rolling historical usage for satellite customers is included on the Company's CDG Host reports or may be obtained directly from the CDG Satellite customer using the Green Button Connect feature that is built into the Company's billing system.](#)

8.2 Pre-validation of CDG Satellite Allocation Lists

The Company will pre-validate CDG Satellite allocation lists [under](#) the [guidance timeframes](#) of the Commission's CDG Billing & Working Group. The pre-validation check will include whether the account is an active electric customer, customer bill rate, whether the customer is already a net metered customer (*i.e.*, the CDG Satellite has its own behind-the-meter DG system), [whether the customer is already a subscriber on another CDG Host project](#), and compliance of the list with CDG 60/40 Rule. Results will be communicated back to the CDG Host through the nCAP portal.

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8.3 Calculation of CDG [Host](#) Payment, CDG Satellite Net Credits, and Utility Administrative Fee

8.3.1 The Company will calculate the Net Member Credit owed to each CDG Satellite account, excluding the Excluded Anchor Satellite, the CDG [Host](#) Payments, and the Utility Administrative Fee based on the [following](#):

- CDG [Project's](#) Credits
- CDG Savings Rate

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- CDG Satellite's Allocation
- CDG Satellite's banked credits
- Any of the CDG Host's unallocated credits that are [designated by the CDG Host to be allocated to the CDG Satellite](#)
- Electric charges on the CDG Satellite's retail bill for each billing month.

The calculation steps used [for Value Stack CDG Credits](#) will be as follows:

- **Step 1.** The Company calculates the [Value Stack](#) CDG [Project](#) Credits [per Rule 40 of the Electricity Tariff](#).
- **Step 2.** For each participating CDG Satellite, calculate the Available Credit as the product of the CDG Project's Value Stack Credits in Step 1 by the CDG Satellite's Allocation Percentage, as specified by the CDG Host.
- **Step 3.** For each participating CDG Satellite, calculate the Total Available Value Stack Credit as the sum of the Available Credit in Step 2 plus any banked credits on the CDG Satellite's account and any unallocated credits of the CDG Host that are allocated to the CDG Satellite's account, if applicable.
- **Step 4.** For each participating CDG Satellite, calculate the Calculated [Value Stack](#) Credits as the minimum of the Total Available Credit in Step 3 and the CDG Satellite's [total](#) electric retail charges for the applicable billing month. As credits are a negative value in [the Company's billing system](#) and retail charges are a positive value, this calculation will compare the absolute value of both to determine the Calculated Credits.
- **Step 5.** For each participating CDG Satellite, calculate the Net Member Credit as the product of the Calculated Credit in Step 4 and the CDG Savings Rate in effect for the billing month, as specified by the CDG Host.
- **Step 6.** For each participating CDG Satellite, calculate the Ending Banked Credits that will remain on the CDG Satellite's account for future use as the maximum of i) 0 or ii) the difference between the Total Available Credit in Step 3 and the CDG Satellite's monthly electric charges for the billing month. As credits are a negative value in [the Company's billing system](#), the absolute value of the Total Available Credit will be used in the calculation and the result will also be set as a negative credit value.
- **Step 7.** For each participating CDG Satellite, calculate the CDG Subscription Fee which will be used as the basis of the CDG [Host](#) Payment, as the difference between the Calculated Credits in Step 4 and the Net Member Credit.
- **Step 8.** Calculate the Utility Administrative Fee as the product of i) the sum of the participating CDG Satellite's CDG Subscription Fees from Step 7 and ii) the Utility Administrative Fee in effect at the time of the billing month.
- **Step 9.** Calculate the CDG [Host](#) Payment as the difference between the sum of the CDG Subscription Fees for each participating CDG Satellite from Step 7 and the Utility Administrative Fee.

[The calculation steps used for Volumetric CDG Credits will be as follows:](#)

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- **Step 1.** The Company calculates the Volumetric CDG Credits per Rule 29 of the Electricity Tariff.
- **Step 2.** For each participating CDG Satellite, calculate the Available **Volumetric** Credit as the product of the CDG Credits in Step 1 by the CDG Satellite's Allocation Percentage, as specified by the CDG Host.
- **Step 3.** For each participating CDG Satellite, calculate the Total Available Volumetric Credits as the sum of the Available **Volumetric** Credit in Step 2 plus any banked credits on the CDG Satellite's account and any unallocated credits of the CDG Host that are allocated to the CDG Satellite's account, if applicable.
- **Step 4a.** For each participating CDG Satellite, calculate the Calculated **Volumetric** Credits as the minimum of the Total Available Credit in Step 3 and the CDG Satellite's **total electric kWh usage** for the applicable billing month.
- **Step 4b.** For each participating CDG Satellite, calculate the Calculated Monetary Credits as the Calculated Volumetric Credits multiplied by the Net Meter Adjustment Factor.
- **Step 5.** For each participating CDG Satellite, calculate the Net Member Credit as the product of the Calculated **Monetary** Credit in Step 4b and the CDG Savings Rate in effect for the billing month, as specified by the CDG Host.
- **Step 6.** For each participating CDG Satellite, calculate the Ending Banked Credits that will remain on the CDG Satellite's account for future use as the maximum of i) 0 or ii) the difference between the Total Available **Volumetric** Credit in Step 3 and the CDG Satellite's **total electric kWh usage** for the billing month.
- **Step 7.** For each participating CDG Satellite, calculate the CDG Subscription Fee which is the difference between the Calculated **Monetary** Credits in Step 4 and the Net Member Credit. The CDG Subscription Fee will be used as the basis of the CDG Host Payment.
- **Step 8.** Calculate the Utility Administrative Fee as the product of i) the sum of the participating CDG Satellite's CDG Subscription Fees from Step 7 and ii) the Utility Administrative Fee in effect at the time of the billing month.
- **Step 9.** Calculate the CDG **Host** Payment as the difference between the sum of the CDG Subscription Fees for each participating CDG Satellite from Step 7 and the Utility Administrative Fee.

Illustrative billing examples of the above calculation processes are provided in Appendix E.

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Illustrative billing examples of the above calculation processes are provided in Appendix E.

~~8.3.2 There will be some differences between the Company's calculation of the Net Crediting Model as described in 8.3.1 during the time period prior to automation in CSS when the Company will perform the calculations manually.¹ These are due to system limitations prior to automation and will be temporary until automation is finalized.~~

~~During the time of manual billing, the Net Member Credits will appear in the "other" section of the bill.~~

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8.4 CDG ~~Sponsor Host~~ Payment

The CDG Host Payment will be a payment, separate from the retail bill, from the Company to the CDG Host that represents the compensation to the CDG Host for the CDG Satellites' participation. The CDG Host Payment will be calculated as provided in Section 8.3. Any unallocated credits will be banked in the CDG Host's account and may be reallocated to the CDG Satellites or the Excluded Anchor Satellite, following the process for credit reallocation in Rule 29 of the Electricity Tariff. If an existing CDG Project enrolls in Net Crediting and that project has unallocated Project Credits associated with its account in the Company's billing system, those credits can be reallocated under the Net Crediting Program.

Payment Mechanism

All CDG Host Payments shall be made to the billing customer of record in the Company's billing system by electronic funds transfer. The CDG Host must submit a W-9, ACH form, and either a bank letter or voided check to set up electronic payment.

- Requirements of the Bank Letter

The bank letter must meet all the following requirements to be valid. Incomplete bank letters will not be accepted by the Company. Payees may provide a copy of a voided check in lieu of a bank letter.

- o The bank letter must be on the bank's letterhead.
- o The bank letter must include the name of the payee (the name of the bank account holder) and must match the billing account name on the ACH form.
- o The bank letter must include the payee's routing and bank account number and must match the ACH form.
- o The bank letter must be signed and dated by an officer of the bank.
- o The bank letter must be notarized.

- Requirements of the Voided Check

¹ ~~Until CDG net crediting and billing is automated, CDG Satellites will receive net credits based on their percentage allocation of the Value Stack facility's excess generation. The full net credit will be applied to each CDG Satellite's entire Company bill and none will be banked on the CDG Satellite's account.~~

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The copy of the voided check submitted must meet all the following requirements to be valid. Documents that do not meet these requirements will not be accepted by the Company. Payees may provide a bank letter in lieu of a voided check.

- o "Void" must be printed across the check.
- o The name on the voided check must match the ACH Form.
- o An address is required on the voided check and must match the ACH Form. If the address does not match, the Company will contact the payee to determine the reason for the mismatch and will document the reason for the Company's accounts payable.
- o Bank routing and account numbers must match the ACH Form.
- o Blank check attachments or deposit slips will not be accepted.

It is important to note the following when submitting these documents:

- CDG Host name must match billing customer of record
- Billing customer information must match information recorded with the Internal Revenue Service (IRS) issued Taxpayer Identification Number (TIN)
- All customer/vendor names must match the data as reported to the IRS

If these requirements are not met, the Company will require new forms to be submitted with corrected information before the Net Crediting enrollment can be deemed complete.

All documentation to establish electronic funds transfer must be provided to the Company by encrypted email to NetCrediting.NY@nationalgrid.com. Upload of this information to the nCAP portal is prohibited and will be rejected. The Company routinely uses Egress Switch for email encryption, although other encryption software may be acceptable if it accessible to the Company.

If a CDG Host is authorizing payment to an Assignee, the CDG Host must submit a Payment Authorization Form available at: <https://gridforce.my.site.com/s/CDG-Introduction>.

If a limited liability company (LLC) has been established as the billing customer and is a pass-through entity, it may not have its own TIN. In such cases, everything will roll up to the parent company and additional documentation establishing the relationship between the CDG project LLC and the parent company may be required.

If electronic payments cannot be processed due to a failure of the ACH system, a paper check will be issued and mailed to the mailing address specified in the enrollment application. Paper checks will not be issued if an individual CDG Host's bank account is not valid; therefore, the CDG Host must notify the Company promptly of any changes to banking accounts while enrolled in Net Crediting. Notification of banking changes must be made by encrypted email to NetCrediting.NY@nationalgrid.com and such banking changes must be submitted 30 days prior to becoming effective. The Company is not responsible for any payments submitted to a prior bank account under the Net Crediting Program due to failure on the part of the CDG Host to promptly notify the Company of any banking changes.

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Payment Timing

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~~Payment Timing~~ If electronic payments cannot be processed due to a failure of the ACH system, a paper check will be issued and mailed to the mailing address specified in the enrollment application. Paper ~~Payment Timing~~ checks will be issued if an individual CDG Host's bank account is not valid; therefore, the CDG Host must notify National Grid promptly of any changes to banking accounts while enrolled in ~~net crediting~~ Net Crediting. Notification of banking changes must be made by encrypted email to ~~Banking changes must be submitted 30 days prior to becoming effective.~~ [Janet - do we need disclaimer here about National Grid's liability for payments submitted to an old bank account?]

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~~Payment Timing~~ Requirements of the Bank Letter

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~~Payment Timing~~ Bank letters must meet all the following requirements to be valid. Incomplete bank letters will not be accepted by the Company. Payees may provide a copy of a voided check in lieu of a bank letter.

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- ~~Payment Timing~~ The bank letter must be on the bank's letterhead.
- ~~Payment Timing~~ The bank letter must include the name of the payee (the name of the bank account holder) and must match the ACH form.
- ~~Payment Timing~~ The bank letter must include the payee's routing and bank account number and must match the ACH form.
- ~~Payment Timing~~ The bank letter must be signed and dated by an officer of the bank.
- ~~Payment Timing~~ The bank letter must be notarized.

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Payment Timing

The copy of the voided check submitted as part of the ~~net crediting~~ Net Crediting enrollment must meet all the following requirements to be valid. Documents that do not meet these requirements will not be accepted by the Company. Payees may provide a bank letter in lieu of a voided check.

- ~~“Void” must be printed across the check.~~
- ~~The name on the voided check must match the ACH Form.~~
- ~~An address is required on the voided check and must match the ACH Form. If the address does not match, the Company will contact the payee to determine the reason for the mismatch and will document the reason for accounts payable.~~
- ~~Bank routing and account numbers must match the ACH Form.~~
- ~~Blank check attachments or deposit slips will not be accepted.~~

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Payment Timing

Payments due to CDG Hosts will be batched and sent to National Grid’s Accounts Payable system for payment processing at month end, the date matching the Meter Read Schedule for bill group 20 found at the website here:

https://www9.nationalgridus.com/niagaramohawk/energy_supplier/elec_meter_sched.asp.

CDG Hosts will receive one aggregated payment each month for all CDG projects for which host accounts have billed in the previous month. To account for payment processing time and differences in CDG Host and CDG Satellite account billing cycles, payments to CDG Hosts may take up to seventy (70) days after the CDG Host bill date.

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Figure 2 shows the typical timeline from enrollment in Net Crediting to payment to CDG Hosts. The circular arrows denote the ongoing process of accepting subsequent allocation requests from the CDG Host.

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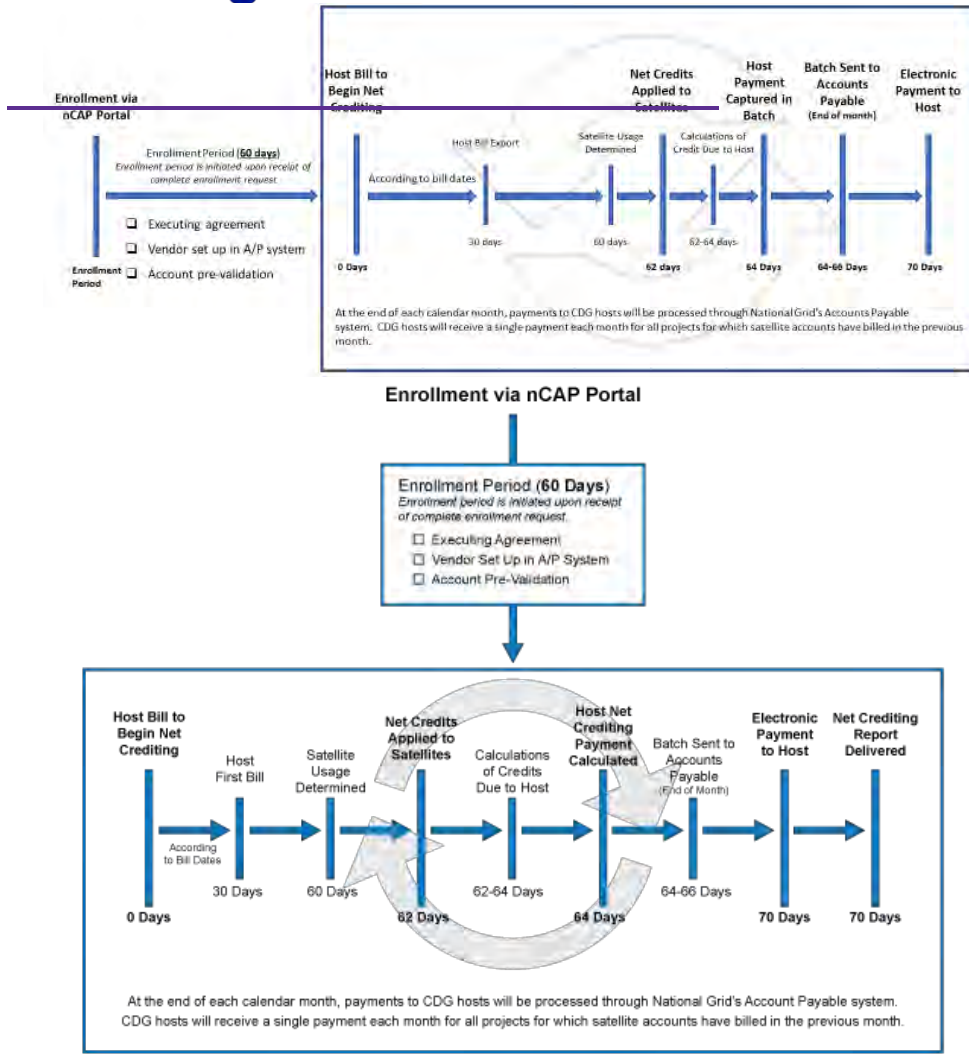


Figure 2. Net Crediting Timeline from Enrollment to CDG Host Payment

CDG Satellite Accounts in Arrears

If a CDG Satellite stops paying its National Grid bill but remains a National Grid customer, there will be no impact on the payment to the CDG Sponsor/Host. If the CDG Satellite closes its National Grid account or drops from the CDG Host allocation, payment for that CDG satellite to

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the CDG ~~Sponsor Host~~ will cease. National Grid will inform the CDG ~~Sponsor Host~~ if a CDG Satellite customer closes its account without dropping from the allocation list and any banked credits on the CDG Satellite's account will be accounted for as described in Section 9.1.

8.5 Reports Provided to CDG Hosts

The Company will provide CDG Hosts with monthly reports per project that show:

- Net Crediting Report
- Future Report
- Prior Month Report
- Return to Host Report
- Satellite Verification Report

These reports will be available by CDG Host account number in My Business Account:
<https://www.nationalgridus.com/mybusinessaccount>

For Value Stack Net Crediting, the monthly report provided by the Company includes:

- CDG Host account number
- CDG Satellite account numbers
- CDG Satellite account name
- CDG Satellite service class

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- CDG Satellite voltage delivery level
- CDG Satellite account status
- Monetary credits applied for each component of the Value Stack
- Total Value Stack credit applied
- Allocation percentage
- CDG Host bill period
- Transfer date
- CDG Satellites' bill dates
- CDG Satellites' prior month banked credits
- Total Value Stack credit available to each CDG Satellite
- CDG Satellites' bill amounts
- Monetary credit applied
- CDG Satellites' banked carry over.

For Volumetric Net Crediting, the monthly report provided by the Company includes:

- CDG Host account number
- CDG Satellite account numbers
- CDG Satellite account name
- CDG Satellite service class
- CDG Satellite voltage delivery level
- CDG Satellite account status
- Allocation percentage
- Subscription fee collection from CDG Satellites
- CDG Host bill period
- Transfer date
- CDG Satellites' bill dates
- CDG Satellites' prior month banked kWh credits
- Total kWh credit available to each CDG Satellite
- CDG Satellites' bill amounts
- Monetary credit applied
- CDG Satellites' banked kWh carry over.

See Appendix F for the formats of the CDG Host statements. The statement will be provided through My Business Account.

8.6 Satellite Customer Bill Display

During National Grid's current manual process for value stack billing, the CDG Satellites will see a single line item showing the net credit amount on their bill. The requirement for tThe

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Company's value stack net crediting billing automation project is to show two separate line items on the

8.6.1 For CDG Satellite's participating in a Value Stack Net Crediting Project, two sections of the retail bill will display CDG Net Crediting program participation details.

The Delivery Services section will display the following:

- Prior Month Carry Over
- Current Month Transfer
- Credit Applied to This Bill
- Next Month Carry Over

The "Other Charges/Adjustments" section will display the following:

- CDG Credit Applied to this Bill– The total monetary credit applied by the Company to the CDG Satellite Account
- CDG Subscription Fee – The credit deducted from the total monetary credit and paid to the CDG Host.

8.6.2 For CDG Satellite's participating in a Volumetric Net Crediting Project two sections of the retail bill will display CDG Net Crediting program participation details:

The Delivery Services section will display the following:

- Accumulated kWh
- Transfer kWh from CDG Host
- Transfer Retained kWh from Host
- Current Bill Period kWh
- Carryover kWh
- Net Meter Adjustment Factor
- Community Net Metering Adjustment Credit

The Supply Services section of the bill will display the following:

- Community Net Metering Adjustment Credit

Sample Satellite Bill Images are show in Appendix E

Sample Satellite Bill Images are show in Appendix ~~XX~~E

8.7 Mechanism to Inquire about CDG Host Payment

To inquire about the amount of a CDG Host payment, a CDG Host should submit an inquiry using the "contact us" link at: <https://ngus.force.com/s/>. These requests are routed to the Customer Energy Integration program support team which will address payment questions. By submitting the inquiry through the nCAP portal, it can be tracked by the submitter. Timing of CDG Host Payments is explained above.

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8.8 Utility Compensation

The Company will deduct the Utility Administrative Fee from the amount due to the CDG Host as described in Section 8.3. This fee is currently set at 1% and is subject to further adjustment by the Commission based on utility administrative costs.

8.9 CDG Host Inquiries

The CDG Host should address CDG Host billing-related inquiries and disputes addressed to the Company by submitting an inquiry using the “contact us” button at:
<https://gridforce.my.site.com/s/ny-home>.

Section 9: Treatment of CDG Satellite Accounts

9.1 Unenrollment of a Satellite with Banked Credits and Allowance of Satellite to participate in other CDG projects

This section describes the treatment of CDG Satellites with banked credits by the Company and This section describes the treatment of CDG Satellites with banked credits by the Company and This section describes the treatment of CDG Satellites with banked credits by the Company and This section describes the treatment of CDG Satellites with banked credits by the Company and the permissibility of a CDG Satellite participating in Net Crediting from unsubscribing from a CDG Host's project in accordance with the process in effect as of the date of this Manual. Any future changes regarding the treatment of banked CDG Satellite credits will be reflected in updates s to this Manual.

Credits, both monetary or volumetric kWh, banked on a CDG Satellite account that has subsequently been removed from a CDG Host's allocation list will be returned to the CDG Host's account for future allocation to other CDG Satellites.

9.1.1 From a Net Credit project to no host

Value stack monetary Monetary bill credits follow the CDG Satellite account and will carry over until fully applied to the CDG Satellite's bill.

9.1.2 From a Net Credit project to another Net Credit project

Value stack monetary Monetary bill credits follow the CDG Satellite account and will carry over until used up. The CDG Satellite cannot be enrolled as a satellite with a new net crediting CDG Host until the bill credits from the original net credit CDG Host are fully applied to the CDG Satellite's bill.

9.1.3 From a Net Credit project to a Non-Net Credit project

Value stack monetary Monetary bill credits follow the CDG Satellite account and will carry over until used up. The CDG Satellite cannot be enrolled as a satellite with a non-net crediting CDG Sponsor until the bill credits from the original net credit CDG Sponsor are fully applied to the CDG Satellite's bill.

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~~9.1.4 From a Non-Net Credit project to a Net Credit project~~

~~Value stack monetary Monetary bill credits follow the CDG Satellite account and will carry over until used up. The CDG Satellite cannot be enrolled as a satellite with a new net crediting CDG Sponsor until the bill credits from the original non-net credit CDG Sponsor are fully applied to the CDG Satellite's bill. 9.1.5 From a Volumetric Net Credit project to a Value Stack Net Credit project The CDG Satellite forfeits monetary bill credits from Volumetric Net Crediting project prior to enrolling with new CDG Value Stack Net Crediting project.~~

9.2 Back-billing of CDG Host and CDG Satellites

If there are any issues with the CDG Host account activation in the Company's billing system, If there are any issues with the CDG Host account activation in the Company's billing system, back-billing of the CDG Host may be required. In cases of back-billing, the CDG Satellite credits from impacted billing cycles will be posted as one lump-sum credit once the CDG Host account is current and issues are resolved.

Section 10: Assignment of Ownership of a Generating Facility

A CDG Host wishing to transfer ownership of the Generating Facility, known as the Assignor, must notify the Company at least sixty (60) days prior to the effective date of the change. The new CDG Host, known as the Assignee, shall execute and submit all required enrollment documentation listed in Appendix G via the Company's nCAP portal. The Company will advise the Assignee of the need to complete Net Crediting enrollment documents which may include execution of a new Net Crediting Agreement. A teleconference amongst the Assignor, Assignee, and National Grid will be scheduled by National Grid to ensure all parties are aware of and in compliance with assignment of ownership requirements.

Section 11: Miscellaneous Provisions

11.1 EAP (Energy Affordability Program) Customers

For CDG Satellites participating in the Energy Affordability Program ("EAP"), the Company will calculate the CDG Satellite credit on the balance of the CDG Satellite's electric delivery service charges after the EAP Credit has been applied.

11.2 Taxes

Sales Taxes

Sales tax is applied to the CDG Satellite customers' supply and delivery services prior to the Net Credit being applied. Sales tax is shown as a separate line item in both the delivery and supply services section of the bill. The Net Credit functions like a payment on the customer's bill.

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Taxes on CDG Host Payment

The Company will not report CDG ~~Sponsor~~Host Payments to the Internal Revenue Service as income and no Form 1099's will be issued to CDG ~~Sponsors~~Hosts. ~~[Note: this information remains under review by the Company]~~

11.3 Resolution of Disputes between Company and CDG ~~Sponsor~~Host

Disputes between the Company and the CDG Host are governed by the terms of the Net Crediting Agreement.

11.4 Resolution of Disputes between CDG Host and CDG Satellites

Disputes between the CDG Host and CDG Satellites must be resolved by the CDG Host. The Company is not responsible for such disputes. If resolution cannot be achieved by the parties, the Commission may be required to intervene.

11.5 Force Majeure

If the Company declares a ~~f~~Force ~~m~~Majeure event, the timelines and processes outlined in this Manual may be impacted. Information on ~~f~~Force ~~m~~Majeure events will be sent to affected CDG ~~Sponsors~~Hosts via the nCAP portal and will be posted on <https://ngus.force.com/s/>

Section 12: Appendices

Appendix A – CDG Host Certification Form

CDG Hosts or their billing proxies must complete the CDG Host Certification Form prior to or upon submitting their initial allocation list. This form is a self-certification that the CDG Host is adhering to all the CDG rules as per the Company's [Electricity Tariff](#). The Company reserves the right to request supporting documentation showing compliance with the certification at its discretion. This form is also available on the nCAP portal.

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CDG Host Certification Form

Check One

☐	Initial CDG Host Certification
☐	Annual CDG Host Certification

- ☐ 1. I certify that this CDG Host application will abide by all terms and conditions of Rule 29- Community Distributed Generation of National Grid's PSC No. 220, Electricity Tariff ("Tariff"), as may be amended from time to time, and requirements of the PSC that are adopted pursuant to orders issued in Cases 15-E-0082, 15-M-0180, and 15-E-0751.

Please check either 2a or 2b:

- ☐ 2a. I certify that associated CDG Satellite Accounts with demands of 25 kW or greater will receive, in aggregate, no more than 40 percent of the CDG Host's Excess Generation from the CDG project; or
- ☐ 2b. I certify that this CDG Host is electing to participate in the farm-based waiver program per Tariff Rule 29.2.3.2 and the PSC's April 20, 2018 *Order Regarding Farm-Based Distributed Energy Resources* in Cases 15-E-0082 and 15-E-0751 which exempts the requirement in 2a above as well as the ten-member minimum requirement, and that the CDG Satellites adhere to the requirements of this waiver where each member is either a farm operation or the owner or employee of one of the farm operation members.
- ☐ 3. I certify that each associated CDG Satellite Account will receive at least 1,000 kWh annually, but such credits shall not be in excess of the CDG Satellite Account's historic average annual kWh usage (or forecasted usage if historic data is not available.)
- ☐ 4. I certify that for each CDG Satellite Account submitted for credits, I have obtained written permission for the customer to receive metering credits. I agree to provide such verification to National Grid within five (5) business days if so requested.
- ☐ 5. I certify that all associated CDG Satellite Accounts, exclusive of CDG Satellite Accounts on VDER/Value Stack compensation after September 12, 2018, will be in the same National Grid Load Zone as the CDG Host and located in the Company's Service Territory unless the CDG project qualifies for interzonal crediting within the Company's Service Territory that went into effect on December 1, 2018 for CDG projects compensated under the Value Stack.
- ☐ 6. I certify that advance written authorization will be obtained from potential CDG Satellite Account customers for the release of customer information and historical data usage by the Company to the CDG Host and such customers will be informed of the type of information to be obtained, to whom it will be given, how it will be used, and how long the authorization will be valid. I certify that verifiable proof of authorization from each customer will be retained for a minimum of two years or for the length of the CDG Host Satellite's membership in the CDG project, whichever is longer.

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- ☐ 7. I certify that as the CDG Host I will meet or exceed the creditworthiness standards as described in the October 16, 2015 order in Case 15-E-0082, as they may be amended or superseded from time to time.
- ☐ 8. I certify that as the CDG Host I will satisfy all obligations assumed with respect to Satellite account owners (project member).
- ☐ 9. To the best of my knowledge the information provided herein is accurate and no attempt has been made to misrepresent the facts.

Name of Applicant (Please print) _____

Signature _____

Date _____

Telephone _____

Email _____

Affiliation of person responsible for account (Check one)

☐ Owner ☐ Partner ☐ Agent [Attach documentation of authorization by Principal] ☐ Corporate Officer

☐ Other (specify) _____

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Appendix B – CDG Allocation Template

The following excerpt of the Allocation Template is illustrative. The electronic version of the template can be found at:

<https://gridforce.my.site.com/servlet/servlet.FileDownload?file=0150W00000FL2O4>

CDG Allocation Request - Net Crediting Projects				nationalgrid	
Instructions for submitter: Add additional rows as necessary. Allocation percentages may be specified up to three decimal points. Do not include digits beyond the third decimal place. Do not include dashes in account numbers but do include leading zeroes. All account numbers should be 10 digits, not formatted as text. Do not include any removed accounts. Include all satellites tied to host, even if the allocation % did not change. If the satellite account is the main account of a multi-unit building and CDG host wants to include it in the 60% bucket, indicate the number of sub-participants in the notes field If applying for the farm based waiver, indicate as such in notes CDG Savings rate must be specified as a whole percentage in decimal form (e.g. 5%, 6% etc). Minimum savings rate is 5%. Maximum savings rate is 1- utility fee Blue shaded boxes require input					
		Percentage Allocated to Satellites (except anchor tenant)	0.0000%		
		Percentage Banked on Host	100.0000%		
		CDG Savings Rate	5.00%		
		Has the CDG saving rate changed since previous allocation submission?	No	If yes, I certify that all satellites, except the Excluded Anchor Satellite, have consented to a reduction in the savings rate	[Sign here]
Satellite National Grid Account					
No.	Number (#####)	National Grid Account Name	Percentage (##.###%)	Is Account NYPA?	Is Account RNY?
Excluded Anchor Satellite					
1		Name			
Net Crediting Satellites					
2		Name			
3		Name			
4		Name			
5		Name			
6		Name			
7		Name			

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Appendix C –Request for Taxpayer Identification Number and Certification (W-9 Form)

The W-9 Form will be available on the nCAP portal or CDG [Net Crediting ??](#) applicants may access it directly from the IRS website. All W-9, ACH Forms and banking information (voided check or bank letter) must be returned to the Company by encrypted email to NetCrediting.NY@nationalgrid.com. Do not upload this information to the nCAP portal.

Company guidance on completing the W-9 follows. Incomplete W-9 forms or W-9 forms with errors will be returned to the CDG [Host](#) for correction and may delay the enrollment of the [CDG](#) project in [Net Crediting](#).

Line 1. The W-9 must be filled out by the dedicated payee that is receiving the CDG [Host](#) Payments. The full legal name is required and must match the name on the income tax filing to the IRS. The payee name must also match the information on the ACH form and the company voided check or bank letter.

Line 2. If the payee is doing business under another entity name with the same taxpayer ID number, the d/b/a name should be listed on Line 2.

Line 3. The appropriate federal tax classification box must be checked.

Lines 5 and 6. The full address including street number, street name, city, state, and zip code must be supplied. The address must match that on the ACH form and the voided check or bank letter. The address on the W-9 may have a corporate address and the ACH may have a remittance address where, if needed, a check would be mailed. Exception Example: N. Andover vs. North Andover is acceptable. Andover vs North Andover is not acceptable. Zip codes must match the cities across all the forms.

Part I - Taxpayer Identification Number (TIN). The payee's social security number or Taxpayer ID number is required and must match the ACH.

Part II - Certification. Signature and Date are required.

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Form W-9 (Rev. December 2014) Department of the Treasury Internal Revenue Service		Request for Taxpayer Identification Number and Certification		Give Form to the requester. Do not send to the IRS.																																													
1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.																																																	
2 Business name/disregarded entity name, if different from above																																																	
Print or type See Specific instructions on page 2.	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: ☐ Individual/sole proprietor or single member LLC ☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ ☐ Other (see instructions) ▶ ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate			4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ (Apply to accounts maintained outside the U.S.)																																													
	5 Address (number, street, and apt. or suite no.)			Requester's name and address (optional)																																													
	6 City, state, and ZIP code																																																
7 List account number(s) here (optional)																																																	
Part I Taxpayer Identification Number (TIN)																																																	
Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 3. Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.																																																	
<table border="1"><tr><td colspan="9">Social security number</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td colspan="9">or</td></tr><tr><td colspan="9">Employer identification number</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>					Social security number																		or									Employer identification number																	
Social security number																																																	
or																																																	
Employer identification number																																																	
Part II Certification																																																	
Under penalties of perjury, I certify that:																																																	
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and																																																	
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and																																																	
3. I am a U.S. citizen or other U.S. person (defined below); and																																																	
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.																																																	
Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.																																																	
Sign Here Signature of U.S. person ▶ Date ▶																																																	
General Instructions																																																	
Section references are to the Internal Revenue Code unless otherwise noted. Future developments. Information about developments affecting Form W-9 (such as legislation enacted after its release) is at www.irs.gov/irg .																																																	
Purpose of Form																																																	
An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following: • Form 1099-INT (interest earned or paid) • Form 1099-DIV (dividends, including those from stocks or mutual funds) • Form 1099-MISC (various types of income, prizes, awards, or gross proceeds) • Form 1099-B (stock or mutual fund sales and certain other transactions by brokers) • Form 1099-S (proceeds from real estate transactions) • Form 1099-K (merchant card and third party network transactions) • Form 1099 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition) • Form 1099-C (cancelled debt) • Form 1099-A (acquisition or abandonment of secured property) Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN. If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2. By signing the filled out form, you: 1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued), 2. Certify that you are not subject to backup withholding, or 3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and 4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See What is FATCA reporting? on page 2 for further information.																																																	
Cat. No. 10231X Form W-9 (Rev. 12 2014)																																																	

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Appendix D – ACH Payment Authorization Form

The ACH Payment Authorization Form (“ACH Form”) is required to establish the CDG [Host](#)/billing customer as a payee in the Company’s accounts payable system.

Company guidance on completing the ACH Form follows. Incomplete ACH Forms or ACH Forms with errors will be returned to the CDG [Host](#) for correction and may delay the enrollment of the project in [Net Crediting](#). The ACH Form will be available on the [Company’s nCAP](#) portal; however completed ACH Forms must be submitted to the Company [through the instructions provided via email](#). Upload of ACH Forms containing confidential customer information is prohibited.

Name: The payee’s full legal name is required and must match the W-9, voided check and [Net Crediting](#) enrollment application.

Taxpayer Identification Number: is the Social Security Number or TIN of the dedicated payee and is required. The TIN must match the W-9.

Address: the payee’s complete address including street number, street name, city, state, and zip code are required and must match the W-9 and the voided check. Exception example: Exception Example: N. Andover vs. North Andover is acceptable. Andover vs North Andover is not acceptable. Zip codes must match the cities across all the forms. The W-9 might be a corporate address and the ACH Form will be a remittance address that may be different. The address on the voided check must match the ACH address. If it does not match, a written explanation from the payee must be included.

Remittance Email Address: is required.

Payment Remit to Address if different: is required. If the addresses do not match, a Company representative will contact the payee by phone to determine the reason for the mismatch and will document the mismatch for accounts payable.

Contact person: is required. Generally, this is the accounts receivable staff person for the payee.

Contact email address: is required and should reflect the payee’s staff person whom the Company would contact if need additional information or to verify information.

Remittance E-mail address: is required and should reflect to whom the Company should send the electronic remittance advice.

Telephone Number: is required and can be different from the other forms as people have home, cell, work numbers etc.

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ACH PAYMENT AUTHORIZATION FORM	
Must be a Checking account for ACH transactions (electronic direct fund transfer)	
Payment Format will be CTX unless otherwise indicated	
Company or Individual Name (Required)	Taxpayer Identification Number (Required) (Social Security Number or Company EIN)
Remittance Address (Required) (Address, City, State, Zip Code)	Email Address for Payment Remittance info (Required)
Receivable Contact Person (Required)	Telephone Number
Receivable Contact Email Address (Required)	Purpose of this Form () New ACH () Change ACH Account
Bank Name (Required)	Bank Address, City, State, Zip (Required)
Routing Number – See Red Below (Required)	Bank Account Number – See Green below (Required)

YOUR NAME
678 Main Street
Anywhere, MI 12345

DATE _____ 123

PAY TO THE ORDER OF _____ \$ _____

_____ DOLLARS

Routing Number **Account Number** **Check Number**

Authorization

I hereby authorize National Grid, to initiate credit entries to the account specified on this form in accordance with the applicable rules relating to corporate payment entries of the National Automated Clearing House Association (NACHA) and its related member associations. This authorization is to remain in full force and effect until National Grid has received written notification from the vendor of its termination. National Grid reserves the right to terminate this agreement at its discretion.

Date	Authorized Signature (Required)
Title	Print Name (Required)

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Appendix E – Crediting Calculation Example

Value Stack Net Crediting Calculation Example

Monetary <u>CDG</u> Satellite Example					Monetary <u>NC</u> Satellite Example				
Prior Month Carry Over	\$		35.57		Prior Month Carry Over	\$		35.57	
Current Month Transfer	\$		96.85		Current Month Transfer	\$		96.85	
Applied to This Bill	\$		(116.93)		Applied to This Bill	\$		(116.93)	
Next Month Carry Over	\$		15.49		Next Month Carry Over	\$		15.49	
Delivery Services					Delivery Services				
Basic Service			\$	17.33	Basic Service			\$	17.33
Delivery	0.07148706	800	\$	57.19	Delivery	0.07148706	800	\$	57.19
SBC	0.005725	800	\$	4.58	SBC	0.005725	800	\$	4.58
LTC	0.004165	800	\$	3.33	LTC	0.004165	800	\$	3.33
RDM	-0.00604	800	\$	(4.83)	RDM	-0.00604	800	\$	(4.83)
TRA	-0.0038	800	\$	(3.04)	TRA	-0.0038	800	\$	(3.04)
Tariff Surcharge	2.04082%		\$	1.52	Tariff Surcharge	2.04082%		\$	1.52
Total Delivery:				\$ 76.08	Total Delivery:				\$ 76.08
Supply Services					Supply Services				
Electric Supply	0.02958	800	\$	23.66	Electric Supply	0.02958	800	\$	23.66
Merch Func	0.00109891	800	\$	0.88	Merch Func	0.00109891	800	\$	0.88
ESRM	0.020383	800	\$	16.31	ESRM	0.020383	800	\$	16.31
Total Supply:				\$ 40.85	Total Supply:				\$ 40.85
Total Electric:				\$ 116.93	Total Electric:				\$ 116.93
Other Charges/Adjustments					Other Charges/Adjustments				
CDG credit - Applied to Bill			\$	(116.93)	CDG credit - Applied to Bill			\$	(116.93)
Total Due:				\$ --	CDG Subscription Fee			\$	105.24
					Total Due:				\$ 105.24
Not Shown on Bill:									
NC Customer					NC Customer				
CDG Work Payment					CDG Work Payment				
Arduous Fee:					Arduous Fee:				
				\$ (116.93)					\$ (116.93)
				\$ (13.09)					\$ (13.09)
				\$ (104.07)					\$ (104.07)
				\$ (3.57)					\$ (3.57)
Notes:									
1. In both Monetary CDG and Monetary NC, the total available credit will not exceed the customer's total Electric Charges.									
2. The above example is a full-service customer.									
For customer with on-bill ESCO charges, the total available credit will offset National Grid delivery charges and ESCO supply, not to exceed the total of both.									
3. For customers with off-bill ESCO arrangements, the total available credit will only offset National Grid delivery and no supply charges, not to exceed the delivery charges.									

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Volumetric Net Crediting Calculation Example

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Volumetric CDG Satellite Example				Volumetric NC Satellite Example			
Accumulated kWh	-250 kWh			Accumulated kWh	-250 kWh		
Transferred kWh from Host	-600 kWh			Transferred kWh from Host	-600 kWh		
Current Bill Period kWh	800 kWh			Current Bill Period kWh	800 kWh		
Carryover kWh to next period	-50 kWh			Carryover kWh to next period	-50 kWh		
Net Meter Adjustment Factor	0.1225990			Net Meter Adjustment Factor	0.1225990		
Delivery Services				Delivery Services			
Basic Service			\$ 17.33	Basic Service			\$ 17.33
Delivery	0.07148706	800	\$ 57.19	Delivery	0.07148706	800	\$ 57.19
CDG Adj:			\$ (57.23)	CDG Adj:			\$ (57.23)
SBC	0.005725	800	\$ 4.58	SBC	0.005725	800	\$ 4.58
LTC	0.004165	800	\$ 3.33	LTC	0.004165	800	\$ 3.33
RDM	-0.00604	800	\$ (4.83)	RDM	-0.00604	800	\$ (4.83)
TRA	-0.0038	800	\$ (3.04)	TRA	-0.0038	800	\$ (3.04)
Tariff Surcharge	2.04082%		\$ 0.35	Tariff Surcharge	2.04082%		\$ 0.35
Total Delivery:			\$ 17.68	Total Delivery:			\$ 17.68
Supply Services				Supply Services			
Electric Supply	0.02958	800	\$ 23.66	Electric Supply	0.02958	800	\$ 23.66
CDG Adj:			\$ (40.85)	CDG Adj:			\$ (40.85)
MFC	0.00109891	800	\$ 0.88	MFC	0.00109891	800	\$ 0.88
ESRM	0.020383	800	\$ 16.31	ESRM	0.020383	800	\$ 16.31
Total Supply:			\$ 0.00	Total Supply:			\$ 0.00
Total Electric:			\$ 17.68	Total Electric:			\$ 17.68
Other Charges/Adjustments				Other Charges/Adjustments			
None			\$ -	CDG Subscription Fee			\$ 88.27
Total Due:			\$ 17.68	Total Due:			\$ 105.96
Not Shown on Bill				Not Shown on Bill			
CDG Adj. Carryover:				CDG Adj. Carryover:			
-600 kWh \$ (96.40)				-600 kWh \$ (96.40)			
				</			

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~~This sample report for illustration purposes only.~~

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National Grid - Net Crediting Report

Purpose: For net crediting, National Grid pays the CDG on a monthly basis. CDGs receive a monthly check with a lump sum, but no details. The VDER Net Crediting Report shows all satellites that were included in the monthly CDG Net Crediting payment. The prior month report and net crediting payment reports show the exact same information, just different time frames:

- Prior Month Report - satellites billed during the host bill period (ties to host bill)
- Net Crediting Report - satellites billed during the month (NG revenue month)

Tie to CDG Net Crediting Payment:

Sum of 'CDG Payment' column on the net crediting payment report will match total payment amount shown on invoice

Sample Report Data (Redacted):

Host	Transaction Date	Host Date Bill	Host Bill Period	Satellite	Sat Date Bill	Sat Bill Period	Sat kWh	CDG Saving Rate	CDG Payment	Utility Fee	Satellite Credit	Total	Sat Serv Class
1234567890	6/28/2022	6/11/2022	05/10/2022 To 06/11/2022	XXXXXXXXXXXX	6/16/2022	05/15/2022 To 06/16/2022	255	10%	1780.00	20.00	200.00	2000.00	SC1
1234567890	6/28/2022	6/11/2022	05/10/2022 To 06/11/2022	YYYYYYYYYY	6/18/2023	05/17/2022 To 06/18/2022	104	10%	89.00	1.00	10.00	100.00	SC1

Column Name **Column Description**

Host Host account number

Transaction Date Payment date, will be same for every row. This is NG revenue month end date

Host Date Bill Host bill date tied to satellite bill

Host Bill Period Host bill period tied to satellite bill

Satellite Satellite account number

Sat Date Bill Satellite bill date

Sat Bill Period Satellite bill period

Sat kWh Satellite kWh

CDG Saving Rate The CDG Savings Rate tied to allocation used on the bill

CDG Payment Payment to CDG (equals "Total" - "Satellite Credit" - "Utility Fee")

Utility Fee The NG utility fee (equals "Total" * 0.01)

Satellite Credit The Satellite Credit (equals "Total" * "CDG Savings Rate")

Total Total credit applied on satellite bill.

Sat Serv Class Satellite service class, which is tied to PSC Tariff (SC1 residential, SC2 small commercial, SC2D small commercial demand, SC3 large industrial)

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Appendix F – Sample CDG Monthly Sponsor-Host Statement

This sample report is for illustration purposes only. Statement includes the following reports:

Net Crediting Report

National Grid - Net Crediting Report

Purpose: For net crediting, National Grid pays the CDG on a monthly basis. CDGs receive a monthly check with a lump sum, but no details. The VDER Net Crediting Report shows all satellites that were included in the monthly CDG Net Crediting payment. The prior month report and net crediting payment reports show the exact same information, just different time frames:
 Prior Month Report - satellites billed during the host bill period (ties to host bill)
 Net Crediting Report - satellites billed during the month (NG revenue month)

Tie to CDG Net Crediting Payment:
 Sum of "CDG Payment" column on the net crediting payment report will match total payment amount shown on invoice

Sample Report Data (Redacted):

Host	Transaction Date	Host Date Bill	Host Bill Period	Satellite	Sat Date Bill	Sat Bill Period	Sat kWh	CDG Saving Rate	CDG Payment	Utility Fee	Satellite Credit	Total	Sat Serv Class
1234567890	6/28/2022	6/11/2022	05/10/2022 To 06/11/2022	XXXXXXXXXX	6/16/2022	05/15/2022 To 06/16/2022	255	10%	1780.00	20.00	200.00	2000.00	SC1
1234567890	6/28/2022	6/11/2022	05/10/2022 To 06/11/2022	YYYYYYYYYY	6/18/2023	05/17/2022 To 06/18/2022	104	10%	89.00	1.00	10.00	100.00	SC1

Column Name

Column Description

Host: Host account number

Transaction Date: Payment date, will be same for every row. This is NG revenue month end date

Host Date Bill: Host bill date tied to satellite bill

Host Bill Period: Host bill period tied to satellite bill

Satellite: Satellite account number

Sat Date Bill: Satellite bill date

Sat Bill Period: Satellite bill period

Sat kWh: Satellite kWh

CDG Saving Rate: The CDG Savings Rate tied to allocation used on the bill

CDG Payment: Payment to CDG (equals "Total" - "Satellite Credit" - "Utility Fee")

Utility Fee: The NG utility fee (equals "Total" * 0.01)

Satellite Credit: The Satellite Credit (equals "Total" * "CDG Savings Rate")

Total: Total credit applied on satellite bill.

Sat Serv Class: Satellite service class, which is tied to PSC Tariff (SC1 residential, SC2 small commercial, SC2D small commercial demand, SC3 large industrial)

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Future Report

National Grid - VDER Future Report

Purpose: The VDER Future Report shows all the satellites that get an allocation on this host bill. The satellite will see these allocations the next time they bill after the host bill.

Tie to Host Bill: Sum of Total Transfer \$ column on rpt will match with 'Credits Applied to Satellite' on host bill

Total Dollar Credit from DER this Billing Period	\$463,398.31
Credits Applied to Satellite	\$463,398.31
Credits Retained by Host this Period (Banked)	\$1,095.25
Prior Month's Host Credits Carried Over	\$1,476.47
Banked Credits Returned to Host	\$0.00
Host Bank Distribution to Satellite this Period	\$0.00
Total Host Retained Credit	\$2,571.72

Tie to Sat Bill: rpt field Total Transfer \$ will show as 'CDG Credit - Current Month Transfer' on next sat bill

Host Number: 20230322	Host: 20230322 Host Name: The Electric City No. 1
CDG Credit - Prior Month Carry Over	\$0.00
CDG Credit - Current Month Transfer	\$463,398.31
CDG Credit - Applied to This Bill	\$463,398.31
CDG Credit - Next Month Carry Over	\$0.00

Sample Report Data (Redacted):

Host Acct (From)	Satellite Acct (To)	Satellite Name	Sat Serv Class	Sat VDL	Sat Status	EV \$	Cap \$	Ends \$	DRV \$	SMV \$	MTL \$	CL \$	Total Transfer \$ With Transferred Allocation %	Host Bill Period	Transfer Date CUS Savings Rate		
1234567890	XXXXXXXXXX	Customer Name1	SC1	1	Active	6.02	0	1.7	0	0	1.39	9.11	39	0.0234	2022-12-13 - 2023-01-17	1/18/2023	0.1
1234567890	XXXXXXXXXX	Customer Name2	SC1	1	Active	14.89	0	4.2	0	0	3.43	22.54	25	0.0579	2022-12-13 - 2023-01-17	1/18/2023	0.1
1234567890	XXXXXXXXXX	Customer Name3	SC1	1	Active	24.28	0	6.85	0	0	5.62	36.75	40	0.0944	2022-12-13 - 2023-01-17	1/18/2023	0.1
1234567890	XXXXXXXXXX	Customer Name4	SC1	1	Active	14.87	0	4.13	0	0	3.44	22.5	25	0.0578	2022-12-13 - 2023-01-17	1/18/2023	0.1
1234567890	XXXXXXXXXX	Customer Name5	SC2	1	Active	20.06	0	5.66	0	0	4.64	30.36	33	0.070	2022-12-13 - 2023-01-17	1/18/2023	0.1

Prior Month Report

National Grid - VDER Prior Month Report

VDER Prior Month Report shows all the satellites that returned any unused bank to the host during the host bill period. A return to host occurs when (1) a satellite final with unused bank or (2) satellite dropped by CDG with unused bank. If there is no return to host (\$0) on host bill, then this report will not be produced that month.																	
Tie to Host Bill: The sum of column 'Return Amt' on Return to Host Report will Match the 'Banked Credits Returned to Host' on the host bill.																	
Total Dollar Credit from DER this Billing Period: \$-80,268.87																	
Credits Applied to Satellite: \$-79,864.10																	
Credits Retained by Host this Period (Banked): \$-404.77																	
Prior Month's Host Credits Carried Over: \$-75,690.49																	
Banked Credits Returned to Host: \$-196.39																	
Host Bank Distribution to Satellite this Period: \$0.00																	
Total Host Retained Credit: \$-76,141.85																	
Sample Report Data (Redacted):																	
Host Bill Acct	Sat Bill Acct	Sat Name	Return Reason	Return Amt	Host-Bill-Period	Trans Date	VDL	Serv Class	Host-Bill-Period	Trans Date	VDL	Serv Class					
1234567890	XXXXXXXXXX	CUSTOMER NAME 1	FINAL	45.23	2022-12-29 - 2023-01-30	1/15/2023	1	SC1	1234567890	XXXXXXXXXX	CUSTOMER NAME 2	FINAL	11.67	2022-12-29 - 2023-01-30	1/18/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 3	DROPPED	15.66	2022-12-29 - 2023-01-30	1/22/2023	1	SC1	1234567890	XXXXXXXXXX	CUSTOMER NAME 4	DROPPED	100.98	2022-12-29 - 2023-01-30	1/9/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 5	FINAL	26.84	2022-12-29 - 2023-01-30	1/24/2023	1	SC1	1234567890	XXXXXXXXXX	CUSTOMER NAME 6	DROPPED	99.31	2022-12-29 - 2023-01-30	1/15/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 7	DROPPED	1.23	2022-12-29 - 2023-01-30	1/13/2023	1	SC1	1234567890	XXXXXXXXXX	CUSTOMER NAME 8	DROPPED	1.23	2022-12-29 - 2023-01-30	1/13/2023	1	SC1

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1/24/2023

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Page 1 of 1

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Satellite Verification Report

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National Grid Satellite Verification Report											
Purpose: CDG submits a list of satellites for validation to NG. NG verification report shows results of each satellite submitted.											
Sample Report Data (Redacted):											
Func	Host	Satellite	Alloc %	Anchor Tena	Case	Status	Cust Name	Bill Group	Avg kWh	Avg kW	Serv Class
S	1234567890	XXXXXXXXXX	0.25		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME1	7	55.6	0	SC2
S	1234567890	XXXXXXXXXX	0.5		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME2	5	69.5	0	SC1
S	1234567890	XXXXXXXXXX	0.5		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME3	10	81.2	0	SC1
S	1234567890	XXXXXXXXXX	1		448512	SATELLITE ACCT FINALLED					
S	1234567890	XXXXXXXXXX	0.75		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME4	14	223.1	0	SC2
S	1234567890	XXXXXXXXXX	1		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME5	14	257.3	0	SC1
S	1234567890	XXXXXXXXXX	1.25		448512	SATELLITE TIED TO ANOTHER HOST					
S	1234567890	XXXXXXXXXX	1		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME6	2	1750.9	28	SC2D
S	1234567890	XXXXXXXXXX	1		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME7	6	796.2	0	SC1
S	1234567890	XXXXXXXXXX	1		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME8	6	1026.3	0	SC1
S	1234567890	XXXXXXXXXX	1		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME9	7	316.8	0	SC1
S	1234567890	XXXXXXXXXX	1.5		448512	SATELLITE TIED TO ANOTHER HOST					
S	1234567890					WARNING: COMM ALLOCATION EXCEEDS 40%					
Columns:											
Func	Function code, 'S' for Verify and 'M' for update										
Host	Host account #										
Satellite	Satellite account #										
Alloc %	allocation %										
Anchor Tenant	Anchor Tenant. Only used for net crediting. If blank, then not an anchor tenant										
Case	DG Portal Case #										
Status	Status (see list of codes below)										
Cust Name	Customer name as entered in NG billing system										
Bill Group	Bill Group of the satellite										
Avg kWh	Avg kWh of past year at satellite's premise										
Avg kW	Avg kW of past year at satellite's premise (populated only for demand customers, serv class SC2D or SC3)										
Serv Class	Service class as defined in PSC tariff (SC1 residential, SC2 small commercial, SC2D small commercial demand, SC3 large commercial and industrial)										

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July 31, 2020



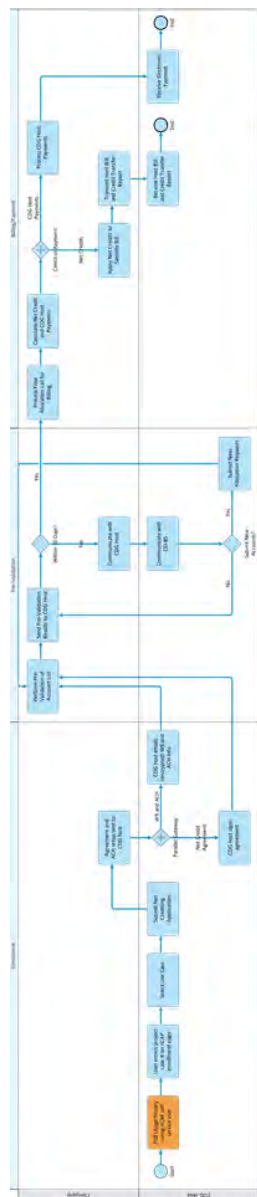
Appendix G – Documents Needed for Transfer of Ownership

Transfer of Ownership may either mean that the owner of the Generating Facility is changing, or the Host Billing Customer account associated with with the Generating Facility is changing. For further information on how to effect a Transfer of Ownership, please refer to:
<https://ngus.force.com/s/article/NY-Transfer-of-Ownership-Instructions>. Documentation
<https://ngus.force.com/s/article/NY-Transfer-of-Ownership-Instructions>. Documentation
requirements vary by type of ownership change and may include a Consent to Assignment, the NY Legal Information Document, and a Letter of Authorization. All Transfer of Ownership requests post-interconnection must be submitted via the nCAP portal. Transfer of Ownership requests prior to a project's PTO date should be coordinated with the Company's Customer Energy Integration consultant assigned to the interconnection project.

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Appendix H – CDG Enrollment Process

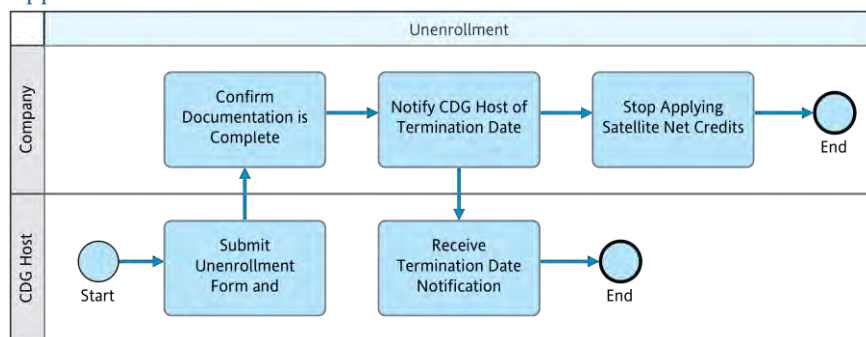


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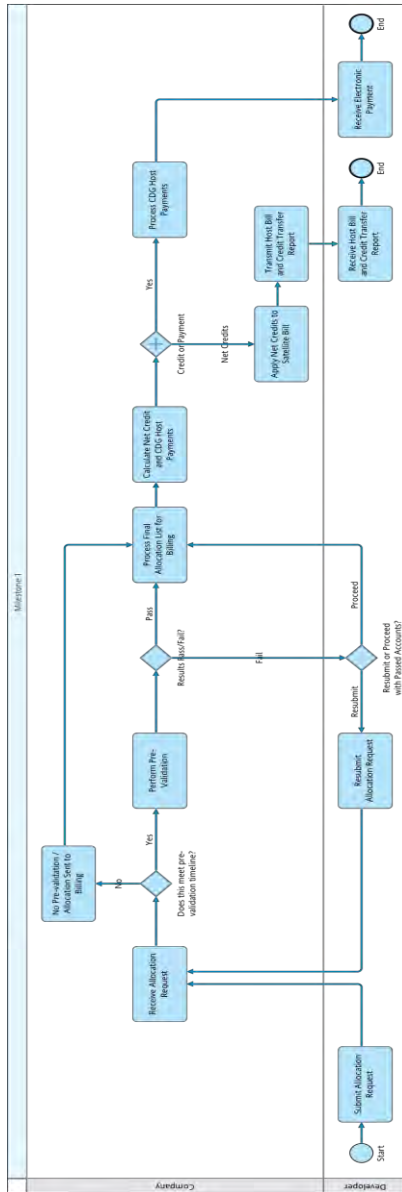
Appendix I – CDG Unenrollment Process



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Appendix J – CDG Subsequent Allocation Request Process



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Niagara Mohawk Power Corporation
d/b/a National Grid

Community Distributed Generation (CDG)
Net Crediting Manual

Draft

Effective Date

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Section 1: Introduction

Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid” or the “Company”) provides consolidated billing services for Community Distributed Generation (“CDG”) Hosts and Subscribers as of October 1, 2020 through on-bill recovery of the CDG subscription fee that would have otherwise been remitted directly from the CDG Satellites to the CDG Host. Net Crediting is available for any CDG Project in National Grid’s service territory receiving volumetric or Value Stack compensation under Rule 29 or Rule 40, respectively, of the Company’s PSC 220 Electricity Tariff (“Electricity Tariff”). This Net Crediting Manual sets forth the Company’s program rules and enrollment process and may be amended from time to time by National Grid.

1.1 Commission Orders Governing Net Crediting and the National Grid Electricity Tariff

The Net Crediting program is based on a series of New York Public Service Commission (“Commission”) orders relating to CDG, including:

- *Order Establishing a Community Distributed Generation Program and Making Other Findings* (“Community Distributed Generation Order” or “CDG Order”, in Case 15-E-0082 (issued July 17, 2015))
- *Order on Net Metering Transition, Phase One of Value of Distributed Energy Resources and Related Matters* (“Value of Distributed Energy Resource Order” or “VDER Order”), in Case 15-E-0751 (issued March 9, 2017)
- *Order Establishing Oversight Framework and Uniform Business Practices for Distributed Energy Resource Suppliers* (“UBP-DERS”), in Case 15-M-0180 (issued October 19, 2017)
- *Order on Value Stack Eligibility Expansion and Other Matters* (“Expansion Order”), in Cases 15-E-0751 and 15-E-0082 (issued September 12, 2018)
- *Order Regarding Consolidated Billing for Community Distributed Generation* (“Net Crediting Order”), in Case 19-M-0463 (issued December 12, 2019)

Rule Nos. 29, 36, 37 and 40 of the Electricity Tariff incorporate the relevant provisions of the aforementioned orders.

1.2 Relationship of this Manual, CDG Net Crediting Agreement, and the Electricity Tariff

The Net Crediting Order directed the Company to provide consolidated billing services through a Net Crediting model. The terms of the agreement between the CDG Host and the Company are governed by the CDG Net Crediting Agreement for each project for which the Company is implementing Net Crediting. National Grid’s Electricity Tariff sets forth the provisions for implementing Net Crediting. This Net Crediting Manual (“Manual”) provides the details of the

administration of the Net Crediting program. In the event of conflict between provisions of this Manual, the CDG Net Crediting Agreement, and the Electricity Tariff, such conflict will be resolved in the following order of preference: (a) Electricity Tariff; (b) CDG Net Crediting Agreement; and (c) this Manual.

Section 2: Definitions

The definitions in this section include terms also defined in the CDG Net Crediting Agreement and/or in the Electricity Tariff. Inclusion of the definitions in this Manual is for the convenience of the reader only, and any conflict between the definitions below and the CDG Net Crediting Agreement or the Electricity Tariff will be resolved in favor of the Electricity Tariff, the CDG Net Crediting Agreement, and this Manual, in that order.

Assignee is an entity receiving ownership of a CDG Project from an Assignor in an Assignment of Ownership of a Generating Facility transaction. The Assignee may be authorized to receive CDG Host payments from the Assignor.

Assignor is the entity transferring ownership of the CDG Project to the Assignee in an Assignment of Ownership of a Generating Facility transaction.

Available Credits are the CDG Host's monthly credits for excess generation as calculated by the Company multiplied by the allocation percentages for each CDG Satellite, as assigned by the CDG Host.

Calculated Credits are the lesser of the Total Available Credit and the CDG Satellite Monthly Charges for each CDG Satellite.

CDG Credits are the credits generated from the CDG Host pursuant to Rules 29 and 40 of the Electricity Tariff.

CDG Host Anniversary Month is 12 months from the date that the CDG Host received Permission To Operate from the Company.

CDG Project is the community distributed generation project that is an eligible Generating Facility participating in the Net Crediting arrangement pursuant to the terms of a CDG Net Crediting Agreement.

CDG Satellite is an electric customer of the Company who is participating in the CDG Project.

CDG Satellite Monthly Charges are the amounts owed to the Company for the provision of electric service on the CDG Satellite's retail bills.

CDG Satellite Remaining Bill is the remaining electric charges after the CDG Satellite's Net Member Credit is applied.

CDG Savings Rate is the rate used to calculate the value of the CDG Credits that will be provided by the Company on CDG Satellites' electric utility accounts, allocated as directed by the CDG Host, where such rate shall not be less than 5 percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Satellite, if applicable.

CDG Host (also sometimes referred to as the CDG Sponsor) is the entity that organizes, owns, and/or operates a CDG Project and may be identified as the "CDG Host" in the Company's Electricity Tariff. A CDG Host may be involved in one or more CDG Projects and be otherwise engaged in soliciting customers, members, or subscribers for a CDG Project or CDG Projects, through its own employees or agents, on its own behalf. A CDG Host must be registered with the Commission consistent with the Uniform Business Practices for Distributed Energy Resource Suppliers (UBP-DERS).

CDG Host Payment is the payment from the Company to the CDG Host representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Company.

CDG Subscription Fee is the resulting value of the CDG Credits, calculated pursuant to Rule 40 of the Electricity Tariff by the Company, net of the Net Member Credits calculated for each CDG Satellite participating in the Net Crediting Program.

Commission is the New York State Public Service Commission.

Electricity Tariff is the Company's effective P.S.C. No. 220, Schedule for Electricity Service Applicable in All Territory Served by the Company, approved by the Commission which may be amended or succeeded from time to time.

Ending Banked Credits is the CDG Satellite's Total Available Credit minus the CDG Satellite's monthly electric charges but shall not be less than zero (0).

Excluded Anchor Satellite is a demand-billed, non-mass market Company electric customer with demand greater than or equal to 25 kW that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Host identifies as being excluded from the Net Crediting Program. If the CDG Host notifies the Company that the CDG Project has an Excluded Anchor Satellite, the Company will not apply the

CDG Savings Rate to the calculation of credits to the Excluded Anchor Satellite. Only one Excluded Anchor Satellite may be excluded from the Net Crediting Program per CDG Project.

Generating Facility is an asset owned by a non-residential customer that produces electricity from farm waste, solar, wind, micro-hydroelectric, fuel cell or stand-alone energy storage system or those Tier 1 eligible technologies set out in Appendix A of the Commission's August 1, 2026 Order Adopting a Clean Energy Standard in Case 15-E-0302 whose production is compensated according to Rule 29 or Rule 40 of the Electricity Tariff.

Initial Net Crediting Allocation is the first allocation submission by the CDG Host assigning percentages of the generation of the project to the CDG Satellites that have been verified by the Company.

Net Crediting Case stores data and tracks progress of a CDG project in the nCAP portal accessible to the CDG Host and the Company.

nCAP Portal is the Company's online distributed generation application management system. All applications for interconnection to the distributed generation grid, all CDG allocation requests, and all enrollment and unenrollment requests are processed through this system.

Net Crediting Program is the Company's CDG program as implemented pursuant to the Net Crediting Order where the Company applies a portion of the CDG Credits to the CDG Satellites' electric utility accounts, based on the CDG Savings Rate, and the CDG Satellites' Allocation Percentages, monthly electric charges, and banked credits and remits the remainder to the CDG Host, less the Utility Administrative Fee. The Net Crediting Program is provided in Rule 29 of the Company's Electricity Tariff.

Net Crediting Manual is the Company's detailed guide for implementing the Net Crediting Program. The Net Crediting Manual is maintained by the Company.

Net Crediting Subscription Contract is the agreement between the CDG Host and each CDG Satellite participating in the Net Crediting Program.

Net Member Credits are the resulting credits on the CDG Satellite's electric utility account, calculated based on the CDG Credits, the applicable CDG Savings Rate, the CDG Satellite's Allocation Percentages, the CDG Satellite's monthly retail charges, and the

CDG Satellite's banked credits, including any banked credits allocated from the CDG Host.

Net Meter Adjustment Factor is the sum of all volumetric kWh rates associated with the CDG Satellite's retail utility bill during the applicable billing period, including delivery distribution rates, delivery surcharges, electric supply rates, and electric surcharges, net of taxes.

Non-residential customer is a person, corporation, or other entity receiving service from the Company, who is not a residential customer as defined in 16 NYCRR Part 11.

Prior Excess Generation is any electricity credits banked by the CDG Host that have not been allocated to the CDG Satellites.

PTO is "Permission to Operate" and is the Company's official notification that the Generating Facility may be interconnected to and operate in parallel with the electric grid.

Satellite Allocation Percentages are the percentages of the CDG Project's Credits to be apportioned to each CDG Satellite as specified by the CDG Host.

Secure Email is the transmission of electronic mail through an encryption service or program.

Total Available Credit for each CDG Satellite is the sum of the Available Credits and the current banked credits for the applicable monthly billing period.

Utility Administrative Fee is the amount of the monthly value of the CDG Project's Value Stack Credits that the Company will retain, as approved by the Commission. The current Utility Administrative Fee is 1.0%.

Volumetric Credits are the kilowatt-hour (kWh) volumetric credits calculated for the CDG Project's net excess generation pursuant to Rule 29 of the Electricity Tariff.

Value Stack Credits are the monetary credits calculated for the CDG Project's net excess generation pursuant to Rule 40 of the Electricity Tariff.

Section 3: Net Crediting Framework

3.1 CDG Net Crediting and Traditional CDG Compared

For a traditional CDG project (non-Net Crediting), the Generating Facility injects electricity into the distribution grid. In return, the utility allocates bill credits to the CDG Satellites. The CDG Host then collects a subscription fee from each CDG Satellite customer for the energy they used.

Net Crediting eliminates the need for the CDG Host to collect a subscription fee from each CDG Satellite. Instead, the Company provides a credit on the bill of each CDG Satellite that represents the difference between the value the CDG Satellite would receive from the CDG Host and the amount they would owe the CDG Host (*i.e.*, the subscription fee) for that value. The Company then remits the remaining amount (representative of the subscription fees), minus the Utility Administrative Fee, to the CDG Host.

Additional information on how the Company is calculating values under the Net Crediting model can be found in Section 8.3: Calculation of CDG Host Payment, CDG Satellite Net Credits, and Utility Administrative Fee.

3.2 Features of Net Crediting

The Net Crediting model is intended to remove some barriers to CDG participation, thereby increasing the interested customer base for CDG projects, and promoting clean, renewable electric generation. The CDG Host may benefit through access to consolidated billing services, default risk management, increased customer participation, more secure revenues, and lower financing costs. Subscribing customers (*i.e.*, CDG Satellites) may benefit through lower electricity bills, a single bill, and reduced barriers to participation.

Section 4: CDG Host Eligibility Provision

All CDG projects, including existing projects that are interconnected to the electric grid and projects that are filing for interconnection, are eligible to participate in the Net Crediting Program.

Participating CDG Hosts must be registered with the Commission in accordance with the Uniform Business Practices for DER Suppliers (“UBP-DERS”) and conform to the relevant requirements in the Net Crediting Order.

Section 5: Enrollment, Unenrollment and Re-enrollment in Net Crediting

5.1 Enrollment Process and Enrollment Period

CDG Hosts may enroll a project in Net Crediting for any interconnection application or eligible interconnected generating facility via the nCAP portal <https://gridforce.my.site.com/s/CDG-Introduction>. Enrollment in Net Crediting is on a per project basis. The billing account number, interconnection project (nCAP) case number and a Net Crediting application are required sixty (60) days prior to PTO, or the conversion to Net Crediting for connected projects, as part of the enrollment process. After the CDG Host enters the application information, the Company will review the application and communicate any necessary revisions. Once the application is deemed complete, the Company will send a prepopulated Net Crediting Agreement to be executed by the CDG Host and returned to the Company. Upon completion of the Net Crediting application including execution of the Net Crediting Agreement, the Company will send instructions via encrypted email to the applicant on how to submit documentation for vendor payment setup in the Company's accounts payable system. ACH and banking information must be sent in encrypted format to NetCrediting.NY@nationalgrid.com.

The sixty (60) day enrollment period for Net Crediting begins upon receipt by the Company of all completed documentation. The Net Crediting enrollment process is completed when the CDG Host receives a Vendor ID and has submitted the Initial Net Crediting Allocation paperwork. The Company will provide enrollment approval confirmation which includes a countersigned Net Crediting Agreement. Net Crediting will be effective on the CDG Host's subsequent billing date after enrollment approval. This date will be communicated to the CDG Host via the nCAP portal.

Appendix H illustrates the enrollment process for the CDG Host.

Enrollment Process Status Bar

A status bar showing the steps and progress throughout the enrollment period will be visible on the enrollment request record in the nCAP portal as shown in Figure 1 below.



Figure 1. nCAP status bar showing enrollment status

Enrollment Process Steps

The steps for the enrollment process are defined and listed below in chronological order:

- Application – means application is waiting for review. The submitter will receive a Case Number to enable tracking of the request in the nCAP portal.
- Pending e-Signature (CDG Host) – means the Net Crediting application has been reviewed and the Net Crediting agreement has been uploaded to the Net Crediting Case for signature by the CDG Host. This upload signals the Company to send an encrypted email to be sent with the additional documents and instructions required to complete enrollment process.
- Awaiting ACH Information – means that the ACH form, W-9, and banking information needs to be submitted by the CDG Host to the Company through the mailbox.
- Submitted – means that the ACH form, W-9, signed Net Crediting agreement, and banking information has been received by the Company and sent to SAP for review.
- Pending Counter-signature – means that the Vendor ID has been issued and the Company is waiting for Initial Net Crediting Allocation to be submitted for review. Once submitted, the Company will countersign the Net Crediting Agreement as the final step.
- Approved – means that the Net Crediting enrollment process is complete and Net Crediting will begin on the next CDG host bill date. The Company will communicate the CDG project's approved status for Net Crediting via the nCAP portal's chatter function. The specific bill period for commencement of Net Crediting will be communicated via the nCAP portal's chatter function under the Initial Net Crediting Case.

5.2 Checklist of Documents Required for Enrollment

	Document	How to Submit
	Net Crediting Application	Initiated by CDG Host through the Company's nCAP portal.
	Net Crediting Agreement	Created by the Company and uploaded to nCAP portal for CDG Host review and signature.
	ACH Form	Completed by CDG Host and returned by encrypted email to NetCrediting.NY@nationalgrid.com
	W-9	Completed by CDG Host and returned by encrypted email to NetCrediting.NY@nationalgrid.com
	Photocopy of Voided Check (or may substitute Bank Letter)	Provided by CDG Host by encrypted email to NetCrediting.NY@nationalgrid.com
	Bank Letter (or may substitute Photocopy of Voided Check)	By encrypted email to NetCrediting.NY@nationalgrid.com

	Data Security Agreement	Completed by CDG Host and returned through nCAP portal if CDG Host will be administering allocation lists and has not already submitted a DSA to the Company.
	CDG Host Certification Form	Completed by CDG Host and returned through nCAP portal
	Distributed Energy Resources Registration Compliance Affirmation Form Template	Completed by CDG Host and returned through nCAP portal
	Letter of Authorization - if a CDG Host Billing Customer will be authorizing a third-party bi company to submit allocations or other billing forms on their behalf	Provided by CDG Host through nCAP portal

5.3 Unenrollment Process

To unenroll a project from Net Crediting, the CDG Host must submit an unenrollment request through the nCAP portal at least thirty (30) days prior to the bill date for which the CDG Host wants Net Crediting to cease. The unenrollment request shall include a termination letter with self-certification that CDG Satellites have been notified of the unenrollment and that they will no longer receive on-going net credits from the CDG Host project. Unenrollment requests submitted by means other than the nCAP portal will not be accepted. The Company will confirm receipt of the unenrollment request and advise on what CDG Host billing date Net Crediting will cease. The CDG Host is responsible for notifying the CDG Satellites of the termination of the Net Crediting methodology. Treatment of banked credits on the CDG Satellites is described in Section 9 of this Manual. Appendix I illustrates the unenrollment process for the CDG Host.

5.4 Re-enrolling in Net Crediting After Unenrolling

A CDG Host that unenrolls from Net Crediting cannot re-enroll in Net Crediting less than 12 months from the billing period in which the unenrollment became effective. To re-enroll, the CDG Host must submit a new enrollment application. The 60-day enrollment period is included in the 12-month “sit out” period.

Section 6: Initial, Subsequent and Host Bank Allocations

6.1 Initial Allocation Request

A CDG Host may submit an initial allocation request for pre-validation at the time of enrollment. The allocation must be submitted through the nCAP portal using the template in

Exhibit B. Allocation requests not submitted through the nCAP portal using the Company template will not be processed. The template requires the CDG Host to enter the project's CDG Savings Rate and identify the Excluded Anchor Satellite, if applicable. Pre-validation of the initial allocation request will follow the established by the Commission through the CDG Billing and Crediting Working Group. The CDG Host is responsible for ensuring that all allocation requests comply with Rule 29.2.3 of the Electricity Tariff where no more than 40 percent of the output of the CDG Project may serve CDG Satellites of 25 kW demand or greater, in aggregate ("CDG 60/40 Rule").

If a valid initial allocation request is not provided by the time the CDG Host is issued PTO, CDG credits are banked on the CDG Host account until such time a valid allocation request is received and processed by the Company.

6.2 Subsequent Allocation Requests

For CDG projects that are already connected and participating as a CDG Host, a CDG Host may submit a subsequent allocation request for pre-validation as a new case in the nCAP portal. The allocation request must be submitted using the template in Exhibit B, which will be available through the nCAP portal. Allocation requests not submitted on the Company template using the nCAP portal will not be processed. This template will require the CDG Host to enter the project's CDG Savings Rate and identify the Excluded Anchor Satellite, if applicable. Pre-validation of the allocation request will follow the established by the Commission through the CDG Billing and Crediting Working Group. The CDG Host is responsible for ensuring that all allocation requests comply with the CDG 60/40 Rule as defined in Rule 29.2.3 of the Electricity Tariff.

See Appendix J for the subsequent allocation request process.

6.3 Host Bank Credit Allocation Requests

In any billing cycle in which a CDG Host has excess unallocated credits to apply to satellites, it may submit an allocation request as a new case in the nCAP portal. Pre-validation of the allocation list may be requested through the nCAP portal using the template in Exhibit B. Allocation requests not submitted on the Company template through the nCAP portal will not be processed. The CDG Savings Rate as applied to the host bank allocation must be the same as the CDG Host's most recent processed allocation unless the CDG Host is concurrently making a CDG Savings Rate change. To make a savings rate change, the CDG Host will need to make a separate DG Inquiry request through the nCAP portal. The CDG Host is responsible for ensuring that all allocation requests comply with the CDG 60/40 Rule as defined in Rule 29.2.3 of the Electricity Tariff.

6.4 Identifying Excluded Anchor Satellite

The CDG Host may identify up to one anchor customer account to exclude from Net Crediting. The Excluded Anchor Satellite shall be a demand billed customer with a historical maximum demand over the most recent 12 months of more than 25 kW, if such history is available, and must be billed on a non-mass market service class. If such billing history of the Excluded Anchor Satellite is not available, then the Company will decide in its best judgment if the satellite meets this demand criteria until the first full year of billing data is available to verify. The Excluded Anchor Satellite's allocation will count towards the 40% bucket in the CDG 60/40 Rule in Rule 29.2.3 of the Electricity Tariff. The Excluded Anchor Satellite may be changed on any subsequent allocation; however, there may no more than one Excluded Anchor Satellite per CDG project at a time. A large SC1 customer (*e.g.*, a religious institution or a farm) is not eligible to be an Excluded Anchor Satellite. Excluded Anchor Satellite changes must be submitted on the allocation request no less than thirty (30) days prior to the CDG Host account's billing date to which the modifications apply.

6.5 Specifying the CDG Savings Rate

The CDG Savings Rate shall be specified on each initial allocation request and subsequent allocation request and shall be no less than 5% and no greater than 100% minus the Utility Administrative Fee (currently 1%). If the CDG Savings Rate specified on any allocation request is less than the previously submitted rate, the CDG Host must certify that the CDG Satellites have been informed of the lower CDG Savings Rate by certifying in the appropriate place on the allocation request.

The CDG Savings Rate can be specified up to two decimal places expressed in whole percentage increments (*e.g.*, 5%, 6% etc.) and must be the same for all CDG Satellites of the CDG Host, except for the Excluded Anchor Satellite. Different CDG Savings Rates for CDG Satellites are not permitted.

Section 7: CDG Host Rights and Responsibilities

7.1 Data Security Agreements

Any entity that is exchanging confidential customer information via the Company's interconnection portal (nCAP) must execute a Data Security Agreement in accordance with the Commission's *Order Establishing Minimum Cybersecurity and Privacy Protections and Making Other Findings* in Case 18-M-0376. More information on the Company's requirements for Data Security Agreements may be found at: <https://ngus.force.com/s/article/NY-BUSINESS-Interconnection-Documents>

7.2 Overpayments by Subscribers

If the CDG Host receives a CDG Satellite subscription fee payment directly from the CDG Satellite for a project enrolled in the CDG Net Crediting Program, the CDG Host shall return such payment to the CDG Satellite.

7.3 Handling CDG Satellite Customer Inquiries

The CDG Host is primarily responsible for handling inquiries and complaints from CDG Satellites related to the CDG Project. The Company will assist with such inquiries if beyond the scope or knowledge of the CDG Host. CDG Satellite inquiries should be submitted using the “contact us” button at <https://gridforce.my.site.com/s/ny-home> for proper tracking and work queuing.

Section 8: Utility Responsibilities

8.1 Historical Usage Requests

The Company will provide historical usage data upon request by the CDG Host. The Company recommends that CDG Hosts use the Company’s EDI system to facilitate and expedite requests for historical usage data. A CDG Host may request access to the Company’s EDI system by submitting a request using the “contact us” function at:

A 12-month rolling historical usage for satellite customers is included on the Company’s CDG Host reports or may be obtained directly from the CDG Satellite customer using the Green Button Connect feature that is built into the Company’s billing system.

8.2 Pre-validation of CDG Satellite Allocation Lists

The Company will pre-validate CDG Satellite allocation lists under the of the Commission’s CDG Billing & Working Group. The pre-validation check will include whether the account is an active electric customer, customer bill rate, whether the customer is already a net metered customer (*i.e.*, the CDG Satellite has its own behind-the-meter DG system), whether the customer is already a subscriber on another CDG Host project, and compliance of the list with CDG 60/40 Rule. Results will be communicated back to the CDG Host through the nCAP portal.

8.3 Calculation of CDG Host Payment, CDG Satellite Net Credits, and Utility Administrative Fee

8.3.1 The Company will calculate the Net Member Credit owed to each CDG Satellite account, excluding the Excluded Anchor Satellite, the CDG Host Payments, and the Utility Administrative Fee based on the following:

- CDG Project’s Credits

- CDG Savings Rate
- CDG Satellite's Allocation
- CDG Satellite's banked credits
- Any of the CDG Host's unallocated credits that are designated by the CDG Host to be allocated to the CDG Satellite
- Electric charges on the CDG Satellite's retail bill for each billing month.

The calculation steps used for Value Stack CDG Credits will be as follows:

- **Step 1.** The Company calculates the Value Stack CDG Project Credits per Rule 40 of the Electricity Tariff.
- **Step 2.** For each participating CDG Satellite, calculate the Available Credit as the product of the CDG Project's Value Stack Credits in Step 1 by the CDG Satellite's Allocation Percentage, as specified by the CDG Host.
- **Step 3.** For each participating CDG Satellite, calculate the Total Available Value Stack Credit as the sum of the Available Credit in Step 2 plus any banked credits on the CDG Satellite's account and any unallocated credits of the CDG Host that are allocated to the CDG Satellite's account, if applicable.
- **Step 4.** For each participating CDG Satellite, calculate the Calculated Value Stack Credits as the minimum of the Total Available Credit in Step 3 and the CDG Satellite's total electric retail charges for the applicable billing month. As credits are a negative value in the Company's billing system and retail charges are a positive value, this calculation will compare the absolute value of both to determine the Calculated Credits.
- **Step 5.** For each participating CDG Satellite, calculate the Net Member Credit as the product of the Calculated Credit in Step 4 and the CDG Savings Rate in effect for the billing month, as specified by the CDG Host.
- **Step 6.** For each participating CDG Satellite, calculate the Ending Banked Credits that will remain on the CDG Satellite's account for future use as the maximum of i) 0 or ii) the difference between the Total Available Credit in Step 3 and the CDG Satellite's monthly electric charges for the billing month. As credits are a negative value in the Company's billing system, the absolute value of the Total Available Credit will be used in the calculation and the result will also be set as a negative credit value.
- **Step 7.** For each participating CDG Satellite, calculate the CDG Subscription Fee which will be used as the basis of the CDG Host Payment, as the difference between the Calculated Credits in Step 4 and the Net Member Credit.
- **Step 8.** Calculate the Utility Administrative Fee as the product of i) the sum of the participating CDG Satellite's CDG Subscription Fees from Step 7 and ii) the Utility Administrative Fee in effect at the time of the billing month.

- **Step 9.** Calculate the CDG Host Payment as the difference between the sum of the CDG Subscription Fees for each participating CDG Satellite from Step 7 and the Utility Administrative Fee.

The calculation steps used for Volumetric CDG Credits will be as follows:

- **Step 1.** The Company calculates the Volumetric CDG Credits per Rule 29 of the Electricity Tariff.
- **Step 2.** For each participating CDG Satellite, calculate the Available Volumetric Credit as the product of the CDG Credits in Step 1 by the CDG Satellite's Allocation Percentage, as specified by the CDG Host.
- **Step 3.** For each participating CDG Satellite, calculate the Total Available Volumetric Credits as the sum of the Available Volumetric Credit in Step 2 plus any banked credits on the CDG Satellite's account and any unallocated credits of the CDG Host that are allocated to the CDG Satellite's account, if applicable.
- **Step 4a.** For each participating CDG Satellite, calculate the Calculated Volumetric Credits as the minimum of the Total Available Credit in Step 3 and the CDG Satellite's total electric kWh usage for the applicable billing month.
- **Step 4b.** For each participating CDG Satellite, calculate the Calculated Monetary Credits as the Calculated Volumetric Credits multiplied by the Net Meter Adjustment Factor.
- **Step 5.** For each participating CDG Satellite, calculate the Net Member Credit as the product of the Calculated Monetary Credit in Step 4b and the CDG Savings Rate in effect for the billing month, as specified by the CDG Host.
- **Step 6.** For each participating CDG Satellite, calculate the Ending Banked Credits that will remain on the CDG Satellite's account for future use as the maximum of i) 0 or ii) the difference between the Total Available Volumetric Credit in Step 3 and the CDG Satellite's total electric kWh usage for the billing month.
- **Step 7.** For each participating CDG Satellite, calculate the CDG Subscription Fee which is the difference between the Calculated Monetary Credits in Step 4 and the Net Member Credit. The CDG Subscription Fee will be used as the basis of the CDG Host Payment.
- **Step 8.** Calculate the Utility Administrative Fee as the product of i) the sum of the participating CDG Satellite's CDG Subscription Fees from Step 7 and ii) the Utility Administrative Fee in effect at the time of the billing month.
- **Step 9.** Calculate the CDG Host Payment as the difference between the sum of the CDG Subscription Fees for each participating CDG Satellite from Step 7 and the Utility Administrative Fee.

Illustrative billing examples of the above calculation processes are provided in Appendix E.

8.4 CDG Host Payment

The CDG Host Payment will be a payment, separate from the retail bill, from the Company to the CDG Host that represents the compensation to the CDG Host for the CDG Satellites' participation. The CDG Host Payment will be calculated as provided in Section 8.3. Any unallocated credits will be banked in the CDG Host's account and may be reallocated to the CDG Satellites or the Excluded Anchor Satellite, following the process for credit reallocation in Rule 29 of the Electricity Tariff. If an existing CDG Project enrolls in Net Crediting and that project has unallocated Project Credits associated with its account in the Company's billing system, those credits can be reallocated under the Net Crediting Program.

Payment Mechanism

All CDG Host Payments shall be made to the billing customer of record in the Company's billing system by electronic funds transfer. The CDG Host must submit a W-9, ACH form, and either a bank letter or voided check to set up electronic payment.

- Requirements of the Bank Letter

The bank letter must meet all the following requirements to be valid. Incomplete bank letters will not be accepted by the Company. Payees may provide a copy of a voided check in lieu of a bank letter.

- The bank letter must be on the bank's letterhead.
- The bank letter must include the name of the payee (the name of the bank account holder) and must match the billing account name on the ACH form.
- The bank letter must include the payee's routing and bank account number and must match the ACH form.
- The bank letter must be signed and dated by an officer of the bank.
- The bank letter must be notarized.

- Requirements of the Voided Check

The copy of the voided check submitted must meet all the following requirements to be valid. Documents that do not meet these requirements will not be accepted by the Company. Payees may provide a bank letter in lieu of a voided check.

- "Void" must be printed across the check.
- The name on the voided check must match the ACH Form.
- An address is required on the voided check and must match the ACH Form. If the address does not match, the Company will contact the payee to determine the reason for the mismatch and will document the reason for the Company's accounts payable.
- Bank routing and account numbers must match the ACH Form.

- o Blank check attachments or deposit slips will not be accepted.

It is important to note the following when submitting these documents:

- CDG Host name must match billing customer of record
- Billing customer information must match information recorded with the Internal Revenue Service (IRS) issued Taxpayer Identification Number (TIN)
- All customer/vendor names must match the data as reported to the IRS

If these requirements are not met, the Company will require new forms to be submitted with corrected information before the Net Crediting enrollment can be deemed complete.

All documentation to establish electronic funds transfer must be provided to the Company by encrypted email to NetCrediting.NY@nationalgrid.com. Upload of this information to the nCAP portal is prohibited and will be rejected. The Company routinely uses Egress Switch for email encryption, although other encryption software may be acceptable if it accessible to the Company.

If a CDG Host is authorizing payment to an Assignee, the CDG Host must submit a Payment Authorization Form available at: <https://gridforce.my.site.com/s/CDG-Introduction>.

If a limited liability company (LLC) has been established as the billing customer and is a pass-through entity, it may not have its own TIN. In such cases, everything will roll up to the parent company and additional documentation establishing the relationship between the CDG project LLC and the parent company may be required.

If electronic payments cannot be processed due to a failure of the ACH system, a paper check will be issued and mailed to the mailing address specified in the enrollment application. Paper checks will not be issued if an individual CDG Host's bank account is not valid; therefore, the CDG Host must notify the Company promptly of any changes to banking accounts while enrolled in Net Crediting. Notification of banking changes must be made by encrypted email to NetCrediting.NY@nationalgrid.com and such banking changes must be submitted 30 days prior to becoming effective. The Company is not responsible for any payments submitted to a prior bank account under the Net Crediting Program due to failure on the part of the CDG Host to promptly notify the Company of any banking changes.

Payment Timing

Payments due to CDG Hosts will be batched and sent to National Grid's Accounts Payable system for payment processing at month end, the date matching the Meter Read Schedule for bill group 20 found at the website here:

https://www9.nationalgridus.com/niagaramohawk/energy_supplier/elec_meter_sched.asp.

CDG Hosts will receive one aggregated payment each month for all CDG projects for which host accounts have billed in the previous month. To account for payment processing time and

differences in CDG Host and CDG Satellite account billing cycles, payments to CDG Hosts may take up to seventy (70) days after the CDG Host bill date.

Figure 2 shows the typical timeline from enrollment in Net Crediting to payment to CDG Hosts. The circular arrows denote the ongoing process of accepting subsequent allocation requests from the CDG Host.

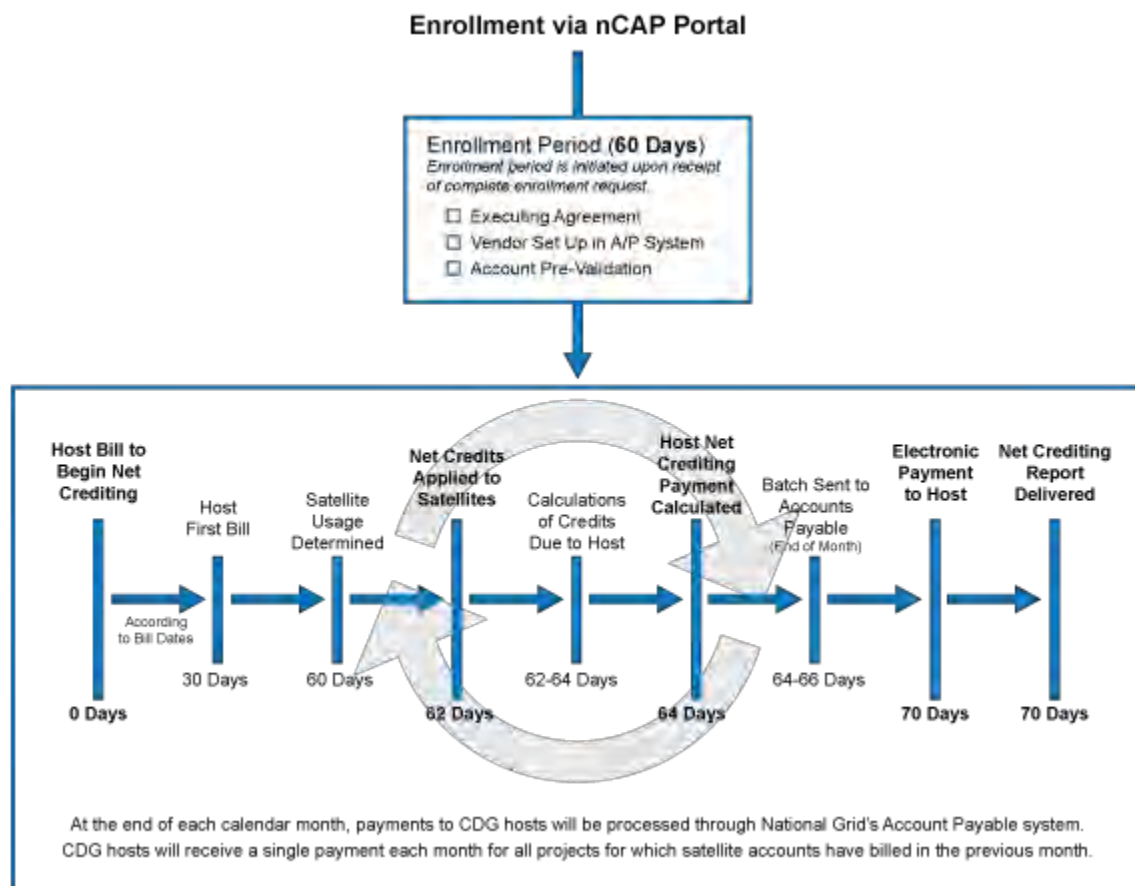


Figure 2. Net Crediting Timeline from Enrollment to CDG Host Payment

CDG Satellite Accounts in Arrears

If a CDG Satellite stops paying its National Grid bill but remains a National Grid customer, there will be no impact on the payment to the CDG Host. If the CDG Satellite closes its National Grid

account or drops from the CDG Host allocation, payment for that CDG satellite to the CDG Host will cease. National Grid will inform the CDG Host if a CDG Satellite customer closes its account without dropping from the allocation list and any banked credits on the CDG Satellite's account will be accounted for as described in Section 9.1.

8.5 Reports Provided to CDG Hosts

The Company will provide CDG Hosts with monthly reports per project that show:

- Net Crediting Report
- Future Report
- Prior Month Report
- Return to Host Report
- Satellite Verification Report

These reports will be available by CDG Host account number in My Business Account:
<https://www.nationalgridus.com/mybusinessaccount>

For Value Stack Net Crediting, the monthly report provided by the Company includes:

- CDG Host account number
- CDG Satellite account numbers
- CDG Satellite account name
- CDG Satellite service class
- CDG Satellite voltage delivery level
- CDG Satellite account status
- Monetary credits applied for each component of the Value Stack
- Total Value Stack credit applied
- Allocation percentage
- CDG Host bill period
- Transfer date
- CDG Satellites' bill dates
- CDG Satellites' prior month banked credits
- Total Value Stack credit available to each CDG Satellite
- CDG Satellites' bill amounts
- Monetary credit applied
- CDG Satellites' banked carry over.

For Volumetric Net Crediting, the monthly report provided by the Company includes:

- CDG Host account number
- CDG Satellite account numbers
- CDG Satellite account name
- CDG Satellite service class
- CDG Satellite voltage delivery level
- CDG Satellite account status
- Allocation percentage
- Subscription fee collection from CDG Satellites
- CDG Host bill period
- Transfer date
- CDG Satellites' bill dates
- CDG Satellites' prior month banked kWh credits
- Total kWh credit available to each CDG Satellite
- CDG Satellites' bill amounts
- Monetary credit applied
- CDG Satellites' banked kWh carry over.

See Appendix F for the formats of the CDG Host statements. The statement will be provided through My Business Account.

8.6 Satellite Customer Bill Display

8.6.1 For CDG Satellite's participating in a Value Stack Net Crediting Project, two sections of the retail bill will display CDG Net Crediting program participation details.

The Delivery Services section will display the following:

- Prior Month Carry Over
- Current Month Transfer
- Credit Applied to This Bill
- Next Month Carry Over

The "Other Charges/Adjustments" section will display the following:

- CDG Credit Applied to this Bill– The total monetary credit applied by the Company to the CDG Satellite Account
- CDG Subscription Fee – The credit deducted from the total monetary credit and paid to the CDG Host.

8.6.2 For CDG Satellite’s participating in a Volumetric Net Crediting Project two sections of the retail bill will display CDG Net Crediting program participation details:

The Delivery Services section will display the following:

- Accumulated kWh
- Transfer kWh from CDG Host
- Transfer Retained kWh from Host
- Current Bill Period kWh
- Carryover kWh
- Net Meter Adjustment Factor
- Community Net Metering Adjustment Credit

The Supply Services section of the bill will display the following:

- Community Net Metering Adjustment Credit

Sample Satellite Bill Images are show in Appendix E

8.7 Mechanism to Inquire about CDG Host Payment

To inquire about the amount of a CDG Host payment, a CDG Host should submit an inquiry using the “contact us” link at: . These requests are routed to the Customer Energy Integration program support team which will address payment questions. By submitting the inquiry through the nCAP portal, it can be tracked by the submitter. Timing of CDG Host Payments is explained above.

8.8 Utility Compensation

The Company will deduct the Utility Administrative Fee from the amount due to the CDG Host as described in Section 8.3. This fee is currently set at 1% and is subject to further adjustment by the Commission based on utility administrative costs.

8.9 CDG Host Inquiries

The CDG Host should address CDG Host billing-related inquiries and disputes addressed to the Company by submitting an inquiry using the “contact us” button at:
<https://gridforce.my.site.com/s/ny-home>.

Section 9: Treatment of CDG Satellite Accounts

9.1 Unenrollment of a Satellite with Banked Credits and Allowance of Satellite to participate in other CDG projects

This section describes the treatment of CDG Satellites with banked credits by the Company and the permissibility of a CDG Satellite participating in Net Crediting from unsubscribing from a CDG Host's project in accordance with the process in effect as of the date of this Manual. Any future changes regarding the treatment of banked CDG Satellite credits will be reflected in updates to this Manual.

Credits, both monetary or volumetric kWh, banked on a CDG Satellite account that has subsequently been removed from a CDG Host's allocation list will be returned to the CDG Host's account for future allocation to other CDG Satellites.

9.2 Back-billing of CDG Host and CDG Satellites

If there are any issues with the CDG Host account activation in the Company's billing system, back-billing of the CDG Host may be required. In cases of back-billing, the CDG Satellite credits from impacted billing cycles will be posted as one lump-sum credit once the CDG Host account is current and issues are resolved.

Section 10: Assignment of Ownership of a Generating Facility

A CDG Host wishing to transfer ownership of the Generating Facility, known as the Assignor, must notify the Company at least sixty (60) days prior to the effective date of the change. The new CDG Host, known as the Assignee, shall execute and submit all required enrollment documentation listed in Appendix G via the Company's nCAP portal. The Company will advise the Assignee of the need to complete Net Crediting enrollment documents which may include execution of a new Net Crediting Agreement. A teleconference amongst the Assignor, Assignee, and National Grid will be scheduled by National Grid to ensure all parties are aware of and in compliance with assignment of ownership requirements.

Section 11: Miscellaneous Provisions

11.1 EAP (Energy Affordability Program) Customers

For CDG Satellites participating in the Energy Affordability Program ("EAP"), the Company will calculate the CDG Satellite credit on the balance of the CDG Satellite's electric delivery service charges after the EAP Credit has been applied.

11.2 Taxes

Sales Taxes

Sales tax is applied to the CDG Satellite customers' supply and delivery services prior to the Net Credit being applied. Sales tax is shown as a separate line item in both the delivery and supply services section of the bill. The Net Credit functions like a payment on the customer's bill.

Taxes on CDG Host Payment

The Company will not report CDG Host Payments to the Internal Revenue Service as income and no Form 1099's will be issued to CDG Hosts.

11.3 Resolution of Disputes between Company and CDG Host

Disputes between the Company and the CDG Host are governed by the terms of the Net Crediting Agreement.

11.4 Resolution of Disputes between CDG Host and CDG Satellites

Disputes between the CDG Host and CDG Satellites must be resolved by the CDG Host. The Company is not responsible for such disputes. If resolution cannot be achieved by the parties, the Commission may be required to intervene.

11.5 Force Majeure

If the Company declares a force majeure event, the timelines and processes outlined in this Manual may be impacted. Information on force majeure events will be sent to affected CDG Hosts via the nCAP portal and will be posted on <https://ngus.force.com/s/>

Section 12: Appendices

Appendix A – CDG Host Certification Form

CDG Hosts or their billing proxies must complete the CDG Host Certification Form prior to or upon submitting their initial allocation list. This form is a self-certification that the CDG Host is adhering to all the CDG rules as per the Company's Electricity Tariff. The Company reserves the right to request supporting documentation showing compliance with the certification at its discretion. This form is also available on the nCAP portal.

CDG Host Certification Form

Check One

☐	Initial CDG Host Certification
☐	Annual CDG Host Certification

- ☐ 1. I certify that this CDG Host application will abide by all terms and conditions of Rule 29- Community Distributed Generation of National Grid's PSC No. 220, Electricity Tariff ("Tariff"), as may be amended from time to time, and requirements of the PSC that are adopted pursuant to orders issued in Cases 15-E-0082, 15-M-0180, and 15-E-0751.

Please check either 2a or 2b:

- ☐ 2a. I certify that associated CDG Satellite Accounts with demands of 25 kW or greater will receive, in aggregate, no more than 40 percent of the CDG Host's Excess Generation from the CDG project; or
- ☐ 2b. I certify that this CDG Host is electing to participate in the farm-based waiver program per Tariff Rule 29.2.3.2 and the PSC's April 20, 2018 *Order Regarding Farm-Based Distributed Energy Resources* in Cases 15-E-0082 and 15-E-0751 which exempts the requirement in 2a above as well as the ten-member minimum requirement, and that the CDG Satellites adhere to the requirements of this waiver where each member is either a farm operation or the owner or employee of one of the farm operation members.
- ☐ 3. I certify that each associated CDG Satellite Account will receive at least 1,000 kWh annually, but such credits shall not be in excess of the CDG Satellite Account's historic average annual kWh usage (or forecasted usage if historic data is not available.)
- ☐ 4. I certify that for each CDG Satellite Account submitted for credits, I have obtained written permission for the customer to receive metering credits. I agree to provide such verification to National Grid within five (5) business days if so requested.
- ☐ 5. I certify that all associated CDG Satellite Accounts, exclusive of CDG Satellite Accounts on VDER/Value Stack compensation after September 12, 2018, will be in the same National Grid Load Zone as the CDG Host and located in the Company's Service Territory unless the CDG project qualifies for interzonal crediting within the Company's Service Territory that went into effect on December 1, 2018 for CDG projects compensated under the Value Stack.
- ☐ 6. I certify that advance written authorization will be obtained from potential CDG Satellite Account customers for the release of customer information and historical data usage by the Company to the CDG Host and such customers will be informed of the type of information to be obtained, to whom it will be given, how it will be used, and how long the authorization will be valid. I certify that verifiable proof of authorization from each customer will be retained for a minimum of two years or for the length of the CDG Host Satellite's membership in the CDG project, whichever is longer.

- ☐ 7. I certify that as the CDG Host I will meet or exceed the creditworthiness standards as described in the October 16, 2015 order in Case 15-E-0082, as they may be amended or superseded from time to time.
- ☐ 8. I certify that as the CDG Host I will satisfy all obligations assumed with respect to Satellite account owners (project member).
- ☐ 9. To the best of my knowledge the information provided herein is accurate and no attempt has been made to misrepresent the facts.

Name of Applicant (Please print) _____

Signature _____

Date _____

Telephone _____

Email _____

Affiliation of person responsible for account (Check one)

☐ Owner ☐ Partner ☐ Agent [Attach documentation of authorization by Principal] ☐ Corporate Officer

☐ Other (specify) _____

Appendix B – CDG Allocation Template

The following excerpt of the Allocation Template is illustrative. The electronic version of the template can be found at:

<https://gridforce.my.site.com/servlet/servlet.FileDownload?file=0150W00000FL2O4>

CDG Allocation Request - Net Crediting Projects				nationalgrid		
Instructions for submitter: Add additional rows as necessary. Allocation percentages may be specified up to three decimal points. Do not include digits beyond the third decimal place. Do not include dashes in account numbers but do include leading zeroes. All account numbers should be 10 digits, not formatted as text. Do not include any removed accounts. Include all satellites tied to host, even if the allocation % did not change. If the satellite account is the main account of a multi-unit building and CDG host wants to include it in the 60% bucket, indicate the number of sub-participants in the notes field If applying for the farm based waiver, indicate as such in notes CDG Savings rate must be specified as a whole percentage in decimal form (e.g. 5%, 6% etc). Minimum savings rate is 5%. Maximum savings rate is 1- utility fee Blue shaded boxes require input						
Percentage Allocated to Satellites (except anchor tenant)		0.0000%		<i>If yes, I certify that all satellites, except the Excluded Anchor Satellite, have consented to a reduction in the savings rate</i> [Sign here]		
Percentage Banked on Host		100.0000%				
CDG Savings Rate		5.00%				
Has the CDG saving rate changed since previous allocation submission?		No				
Satellite National Grid Account			Generation Allocation			
No.	Number (#####)	National Grid Account Name	Percentage (###.###%)	Is Account NYPA?	Is Account RNY?	Notes
Excluded Anchor Satellite						
1		Name				
Net Crediting Satellites						
2		Name				
3		Name				
4		Name				
5		Name				
6		Name				
7		Name				

Appendix C –Request for Taxpayer Identification Number and Certification (W-9 Form)

The W-9 Form will be available on the nCAP portal or CDG Net Crediting ?? applicants may access it directly from the IRS website. All W-9, ACH Forms and banking information (voided check or bank letter) must be returned to the Company by encrypted email to . Do not upload this information to the nCAP portal.

Company guidance on completing the W-9 follows. Incomplete W-9 forms or W-9 forms with errors will be returned to the CDG Host for correction and may delay the enrollment of the CDG project in Net Crediting.

Line 1. The W-9 must be filled out by the dedicated payee that is receiving the CDG Host Payments. The full legal name is required and must match the name on the income tax filing to the IRS. The payee name must also match the information on the ACH form and the company voided check or bank letter.

Line 2. If the payee is doing business under another entity name with the same taxpayer ID number, the d/b/a name should be listed on Line 2.

Line 3. The appropriate federal tax classification box must be checked.

Lines 5 and 6. The full address including street number, street name, city, state, and zip code must be supplied. The address must match that on the ACH form and the voided check or bank letter. The address on the W-9 may have a corporate address and the ACH may have a remittance address where, if needed, a check would be mailed. Exception Example: N. Andover vs. North Andover is acceptable. Andover vs North Andover is not acceptable. Zip codes must match the cities across all the forms.

Part I - Taxpayer Identification Number (TIN). The payee's social security number or Taxpayer ID number is required and must match the ACH.

Part II - Certification. Signature and Date are required.

Form W-9 (Rev. December 2014) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give Form to the requester. Do not send to the IRS.			
Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.				
	2 Business name/disregarded entity name, if different from above				
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: ☐ Individual/sole proprietor or single member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate ☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note: For a single member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single member owner. ☐ Other (see Instructions) ▶ _____				
	4 Exemptions (codes apply only to certain entities, not individuals; see Instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ (Apply to accounts maintained outside the U.S.)				
	5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)			
	6 City, state, and ZIP code				
	7 List account number(s) here (optional)				
Part I Taxpayer Identification Number (TIN) Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3. Note: If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.					
Part II Certification Under penalties of perjury, I certify that: 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and 3. I am a U.S. citizen or other U.S. person (defined below); and 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.					
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Sign Here</td> <td style="width: 45%;">Signature of U.S. person ▶</td> <td style="width: 40%;">Date ▶</td> </tr> </table>			Sign Here	Signature of U.S. person ▶	Date ▶
Sign Here	Signature of U.S. person ▶	Date ▶			
General Instructions Section references are to the Internal Revenue Code unless otherwise noted. Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/ir9 . Purpose of Form An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following: • Form 1099-INT (interest earned or paid) • Form 1099-DIV (dividends, including those from stocks or mutual funds) • Form 1099-MISC (various types of income, prizes, awards, or gross proceeds) • Form 1099-B (stock or mutual fund sales and certain other transactions by brokers) • Form 1099-S (proceeds from real estate transactions) • Form 1099-K (merchant card and third party network transactions) • Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition) • Form 1099-C (cancelled debt) • Form 1099-A (acquisition or abandonment of secured property) Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN. If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See <i>What is backup withholding?</i> on page 2. By signing the filled out form, you: 1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued), 2. Certify that you are not subject to backup withholding, or 3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and 4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See <i>What is FATCA reporting?</i> on page 2 for further information.					
Cat. No. 10291X Form W-9 (Rev. 12-2014)					

Appendix D – ACH Payment Authorization Form

The ACH Payment Authorization Form (“ACH Form”) is required to establish the CDG Host/billing customer as a payee in the Company’s accounts payable system.

Company guidance on completing the ACH Form follows. Incomplete ACH Forms or ACH Forms with errors will be returned to the CDG Host for correction and may delay the enrollment of the project in Net Crediting. The ACH Form will be available on the Company’s nCAP portal; however completed ACH Forms must be submitted to the Company through the instructions provided via email. Upload of ACH Forms containing confidential customer information is prohibited.

Name: The payee’s full legal name is required and must match the W-9, voided check and Net Crediting enrollment application.

Taxpayer Identification Number: is the Social Security Number or TIN of the dedicated payee and is required. The TIN must match the W-9.

Address: the payee’s complete address including street number, street name, city, state, and zip code are required and must match the W-9 and the voided check. Exception example: Exception Example: N. Andover vs. North Andover is acceptable. Andover vs North Andover is not acceptable. Zip codes must match the cities across all the forms. The W-9 might be a corporate address and the ACH Form will be a remittance address that may be different. The address on the voided check must match the ACH address. If it does not match, a written explanation from the payee must be included.

Remittance Email Address: is required.

Payment Remit to Address if different: is required. If the addresses do not match, a Company representative will contact the payee by phone to determine the reason for the mismatch and will document the mismatch for accounts payable.

Contact person: is required. Generally, this is the accounts receivable staff person for the payee.

Contact email address: is required and should reflect the payee’s staff person whom the Company would contact if need additional information or to verify information.

Remittance E-mail address: is required and should reflect to whom the Company should send the electronic remittance advice.

Telephone Number: is required and can be different from the other forms as people have home, cell, work numbers etc.

nationalgrid

ACH PAYMENT AUTHORIZATION FORM

Must be a Checking account for ACH transactions (electronic direct fund transfer)

Payment Format will be CTX unless otherwise indicated

Company or Individual Name (Required)	Taxpayer Identification Number (Required) (Social Security Number or Company EIN)
Remittance Address (Required) (Address, City, State, Zip Code)	Email Address for Payment Remittance info (Required)
Receivable Contact Person (Required)	Telephone Number
Receivable Contact Email Address (Required)	Purpose of this Form () New ACH () Change ACH Account
Bank Name (Required)	Bank Address, City, State, Zip (Required)
Routing Number – See Red Below (Required)	Bank Account Number – See Green below (Required)

Diagram illustrating the structure of a check number and routing information:

- Routing Number:** 099888777 (highlighted in red)
- Account Number:** 00123456789 (highlighted in green)
- Check Number:** 123 (highlighted in blue)

Additional check fields shown:

- YOUR NAME: 678 Main Street, Anywhere, ME 12345
- DATE: _____
- PAY TO THE ORDER OF: _____
- \$ _____ DOLLARS

Authorization

I hereby authorize National Grid, to initiate credit entries to the account specified on this form in accordance with the applicable rules relating to corporate payment entries of the National Automated Clearing House Association (NACHA) and its related member associations. This authorization is to remain in full force and effect until National Grid has received written notification from the vendor of its termination. National Grid reserves the right to terminate this agreement at its discretion.

Date	Authorized Signature (Required)
Title	Print Name (Required)

Appendix E – Crediting Calculation Example

Value Stack Net Crediting Calculation Example

Monetary CDG Satellite Example					Monetary NC Satellite Example				
Prior Month Carry Over	\$		35.57		Prior Month Carry Over	\$		35.57	
Current Month Transfer	\$		96.85		Current Month Transfer	\$		96.85	
Applied to This Bill	\$		(116.93)		Applied to This Bill	\$		(116.93)	
Next Month Carry Over	\$		15.49		Next Month Carry Over	\$		15.49	
Delivery Services					Delivery Services				
Basic Service			\$	17.33	Basic Service			\$	17.33
Delivery	0.07148706	800	\$	57.19	Delivery	0.07148706	800	\$	57.19
SBC	0.005725	800	\$	4.58	SBC	0.005725	800	\$	4.58
LTC	0.004165	800	\$	3.33	LTC	0.004165	800	\$	3.33
RDM	-0.00604	800	\$	(4.83)	RDM	-0.00604	800	\$	(4.83)
TRA	-0.0038	800	\$	(3.04)	TRA	-0.0038	800	\$	(3.04)
Tariff Surcharge	2.04082%		\$	1.52	Tariff Surcharge	2.04082%		\$	1.52
Total Delivery:				\$ 76.08	Total Delivery:				\$ 76.08
Supply Services					Supply Services				
Electric Supply	0.02958	800	\$	23.66	Electric Supply	0.02958	800	\$	23.66
Merch Func	0.00109891	800	\$	0.88	Merch Func	0.00109891	800	\$	0.88
ESRM	0.020383	800	\$	16.31	ESRM	0.020383	800	\$	16.31
Total Supply:				\$ 40.85	Total Supply:				\$ 40.85
Total Electric:				\$ 116.93	Total Electric:				\$ 116.93
Other Charges/Adjustments					Other Charges/Adjustments				
CDG credit - Applied to Bill			\$	(116.93)	CDG credit - Applied to Bill			\$	(116.93)
Total Due:				\$ -	CDG Subscription Fee			\$	105.24
					Total Due:				\$ 105.24
					<i>Not Shown on Bill:</i>				
					CDG Adj:			\$	(116.93)
					NC Customer	10%		\$	(11.69)
					CDG Host Payment	89%		\$	(104.07)
					Admin Fee	1%		\$	(1.17)

Notes:

1. In both Monetary CDG and Monetary NC, the total available credit will not exceed the customer's total Electric Charges.
2. The above example is a full-service customer.
For customer with on-bill ESCO charges, the total available credit will offset National Grid delivery charges and ESCO supply, not to exceed the total of both.
3. For customers with off-bill ESCO arrangements, the total available credit will only offset National Grid delivery and no supply charges, not to exceed the delivery charges.

Volumetric Net Crediting Calculation Example

Volumetric CDG Satellite Example					Volumetric NC Satellite Example				
Accumulated kWh	-250 kWh				Accumulated kWh	-250 kWh			
Transferred kWh from Host	-600 kWh				Transferred kWh from Host	-600 kWh			
Current Bill Period kWh	800 kWh				Current Bill Period kWh	800 kWh			
Carryover kWh to next period	-50 kWh				Carryover kWh to next period	-50 kWh			
Net Meter Adjustment Factor	0.1225990				Net Meter Adjustment Factor	0.1225990			
Delivery Services					Delivery Services				
Basic Service			\$	17.33	Basic Service			\$	17.33
Delivery	0.07148706	800	\$	57.19	Delivery	0.07148706	800	\$	57.19
CDG Adj:			\$	(57.23)	CDG Adj:			\$	(57.23)
SBC	0.005725	800	\$	4.58	SBC	0.005725	800	\$	4.58
LTC	0.004165	800	\$	3.33	LTC	0.004165	800	\$	3.33
RDM	-0.00604	800	\$	(4.83)	RDM	-0.00604	800	\$	(4.83)
TRA	-0.0038	800	\$	(3.04)	TRA	-0.0038	800	\$	(3.04)
Tariff Surcharge	2.04082%		\$	0.35	Tariff Surcharge	2.04082%		\$	0.35
Total Delivery:				\$ 17.68	Total Delivery:				\$ 17.68
Supply Services					Supply Services				
Electric Supply	0.02958	800	\$	23.66	Electric Supply	0.02958	800	\$	23.66
CDG Adj:			\$	(40.85)	CDG Adj:			\$	(40.85)
MFC	0.00109891	800	\$	0.88	MFC	0.00109891	800	\$	0.88
ESRM	0.020383	800	\$	16.31	ESRM	0.020383	800	\$	16.31
Total Supply:				\$ 0.00	Total Supply:				\$ 0.00
Total Electric:				\$ 17.68	Total Electric:				\$ 17.68
Other Charges/Adjustments					Other Charges/Adjustments				
None			\$	-	CDG Subscription Fee			\$	88.27
Total Due:				\$ 17.68	Total Due:				\$ 105.96
<i>Not Shown on Bill:</i>					<i>Not Shown on Bill:</i>				
CDG Adj. Calculation:	0.1225990	-800	\$	(98.08)	CDG Adj. Calculation:	0.1225990	-800	\$	(98.08)
					Net Credit Satellite Discount	10%		\$	(9.81)
					CDG Host Payment	89%		\$	(87.29)
					Admin Fee	1%		\$	(0.98)

Notes:

1. In both Volumetric CDG and Volumetric NC, the CDG Adjustment is calculated on the entire delivery+supply kWh (0.1225990 in this example), then the credit is applied to offset delivery first with remainder offsetting supply (if any).
2. The above example is a full-service customer. For customer with on-bill ESCO charges, the CDG adjustment calculation uses National Grid supply rates (supply + ESRM + Merchant Function Charge) to calculate the Net Meter Adjustment Factor. Given that National Grid supply rates are typically lower than ESCO prices, the calculation needs more kWh to pay off the entire supply charges.
3. For customers with off-bill ESCO arrangements, the Net Meter Adjustment Factor is calculated the same as the on-bill ESCO, noted above. However, only delivery charge are offset so less kWh is required to pay off the delivery bill, resulting in higher probability of kWh carry over.

Prior Month Report

Metadata: - VDER Prior Month Report

Purpose: The VDER Prior Month Report shows all the satellites that returned any unused bank to the host during the host bill period. A return to host occurs when (1) a satellite final with unused bank or (2) satellite dropped by CDG with unused bank. If there is no return to host (\$0) on host bill, then this report will not be produced that month.

Tie to Host Bill: The prior month report totals for the 'Total Dollar Credit from DER' will match the 'Banked Credits Returned to Host' on the host bill.

Sample Report Data (Redacted):

Host Bill Acct	Sat Bill Acct	Sat Name	Return Reason	Return Amt	Host-Bill-Period	Trans Date	VDL	Serv Class
1234567890	XXXXXXXXXX	CUSTOMER NAME 1	FINAL	45.23	2022-12-29 - 2023-01-30	1/15/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 2	FINAL	11.67	2022-12-29 - 2023-01-30	1/18/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 3	DROPPED	15.66	2022-12-29 - 2023-01-30	1/22/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 4	DROPPED	100.98	2022-12-29 - 2023-01-30	1/9/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 5	FINAL	26.84	2022-12-29 - 2023-01-30	1/24/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 6	DROPPED	99.31	2022-12-29 - 2023-01-30	1/15/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 7	DROPPED	1.23	2022-12-29 - 2023-01-30	1/13/2023	1	SC1

Return to Host Report

National Grid - VDER Return to Host Report

Purpose: The VDER Return to Host Report shows all the satellites that returned any unused bank to the host during the host bill period. A return to host occurs when (1) a satellite final with unused bank or (2) satellite dropped by CDG with unused bank. If there is no return to host (\$0) on host bill, then this report will not be produced that month.

Tie to Host Bill: The sum of column 'Return Amt' on Return to Host Report will Match the 'Banked Credits Returned to Host' on the host bill.

Total Dollar Credit from DER this Billing Period	\$-80,268.87
Credits Applied to Satellites	\$-79,864.10
Credits Retained by Host this Period (Banked)	\$-404.77
Prior Month's Host Credits Carried Over	\$-75,630.49
Banked Credits Returned to Host	\$ 106.50
Host Bank Distribution to Satellites this Period	\$0.00
Total Host Retained Credit	\$-76,141.85

Sample Report Data (Redacted):

Host Bill Acct	Sat Bill Acct	Sat Name	Return Reason	Return Amt	Host-Bill-Period	Trans Date	VDL	Serv Class
1234567890	XXXXXXXXXX	CUSTOMER NAME 1	FINAL	45.23	2022-12-29 - 2023-01-30	1/15/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 2	FINAL	11.67	2022-12-29 - 2023-01-30	1/18/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 3	DROPPED	15.66	2022-12-29 - 2023-01-30	1/22/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 4	DROPPED	100.98	2022-12-29 - 2023-01-30	1/9/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 5	FINAL	26.84	2022-12-29 - 2023-01-30	1/24/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 6	DROPPED	99.31	2022-12-29 - 2023-01-30	1/15/2023	1	SC1
1234567890	XXXXXXXXXX	CUSTOMER NAME 7	DROPPED	1.23	2022-12-29 - 2023-01-30	1/13/2023	1	SC1

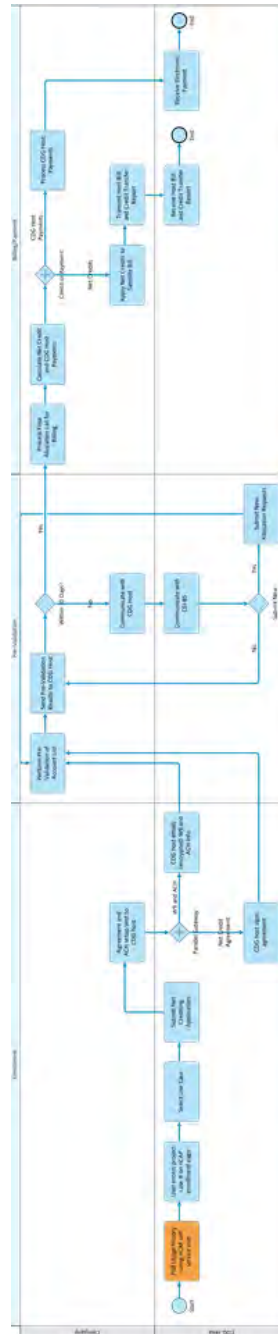
Satellite Verification Report

National Grid Satellite Verification Report											
Purpose:	CDG submits a list of satellites for validation to NG. NG verification report shows results of each satellite submitted.										
Sample Report Data (Redacted):											
Func	Host	Satellite	Alloc %	Anchor Tena	Case	Status	Cust Name	Bill Group	Avg kWh	Avg kW	Serv Class
S	1234567890	XXXXXXXXXX	0.25		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME1	7	55.6	0	SC2
S	1234567890	XXXXXXXXXX	0.5		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME2	5	69.5	0	SC1
S	1234567890	XXXXXXXXXX	0.5		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME3	10	81.2	0	SC1
S	1234567890	XXXXXXXXXX	1		448512	SATELLITE ACCT FINALLED					
S	1234567890	XXXXXXXXXX	0.75		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME4	14	223.1	0	SC2
S	1234567890	XXXXXXXXXX	1		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME5	14	257.3	0	SC1
S	1234567890	XXXXXXXXXX	1.25		448512	SATELLITE TIED TO ANOTHER HOST					
S	1234567890	XXXXXXXXXX	1		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME6	2	1750.9	26	SC2D
S	1234567890	XXXXXXXXXX	1		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME7	6	796.2	0	SC1
S	1234567890	XXXXXXXXXX	1		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME8	6	1026.3	0	SC1
S	1234567890	XXXXXXXXXX	1		448512	ACCOUNT VERIFICATION IS SUCCESSFUL	CUSTOMER NAME9	7	316.8	0	SC1
S	1234567890	XXXXXXXXXX	1.5		448512	SATELLITE TIED TO ANOTHER HOST					
S	1234567890					WARNING: COMM ALLOCATION EXCEEDS 40%					
Columns:											
Func	Function code, 'S' for Verify and 'M' for update										
Host	Host account #										
Satellite	Satellite account #										
Alloc %	allocation %										
Anchor Tenant	Anchor Tenant. Only used for net crediting. If blank, then not an anchor tenant										
Case	DG Portal Case #										
Status	Status (see list of codes below)										
Cust Name	Customer name as entered in NG billing system										
Bill Group	Bill Group of the satellite										
Avg kWh	Avg kWh of past year at satellite's premise										
Avg kW	Avg kW of past year at satellite's premise (populated only for demand customers, serv class SC2D or SC3)										
Serv Class	Service class as defined in PSC tariff (SC1 residential, SC2 small commercial, SC2D small commercial demand, SC3 large commercial and industrial)										

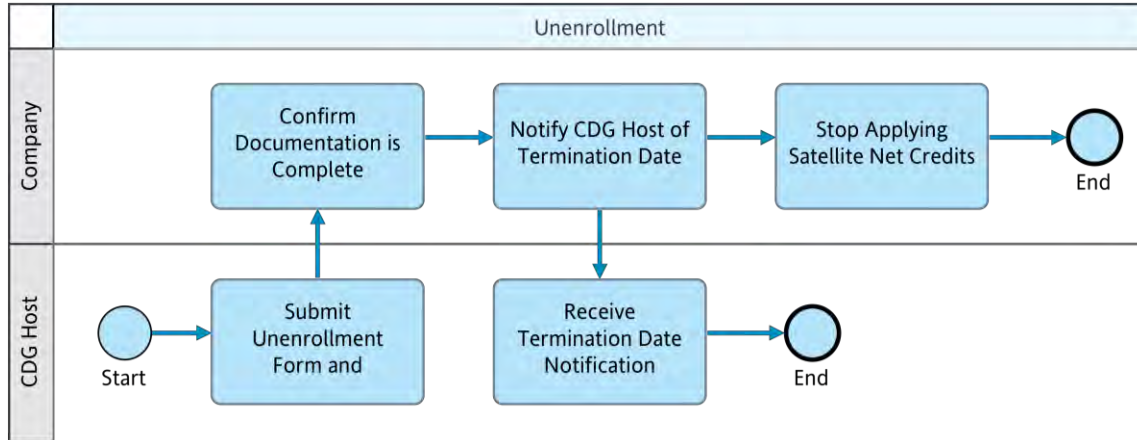
Appendix G – Documents Needed for Assignment of Ownership of a Generating Facility

Assignment of Ownership of a Generating Facility may either mean that the owner of the Generating Facility is changing, or the Host Billing Customer account associated with the Generating Facility is changing. For further information on how to affect an Assignment of Ownership of a Generating Facility, please refer to: <https://ngus.force.com/s/article/NY-Transfer-of-Ownership-Instructions>. Documentation requirements vary by type of ownership change and may include a Consent to Assignment, the NY Legal Information Document, and a Letter of Authorization. All Assignment of Ownership of a Generating Facility requests post-interconnection must be submitted via the nCAP portal. Assignment of Ownership of a Generating Facility requests prior to a project's PTO date should be coordinated with the Company's Customer Energy Integration consultant assigned to the interconnection project.

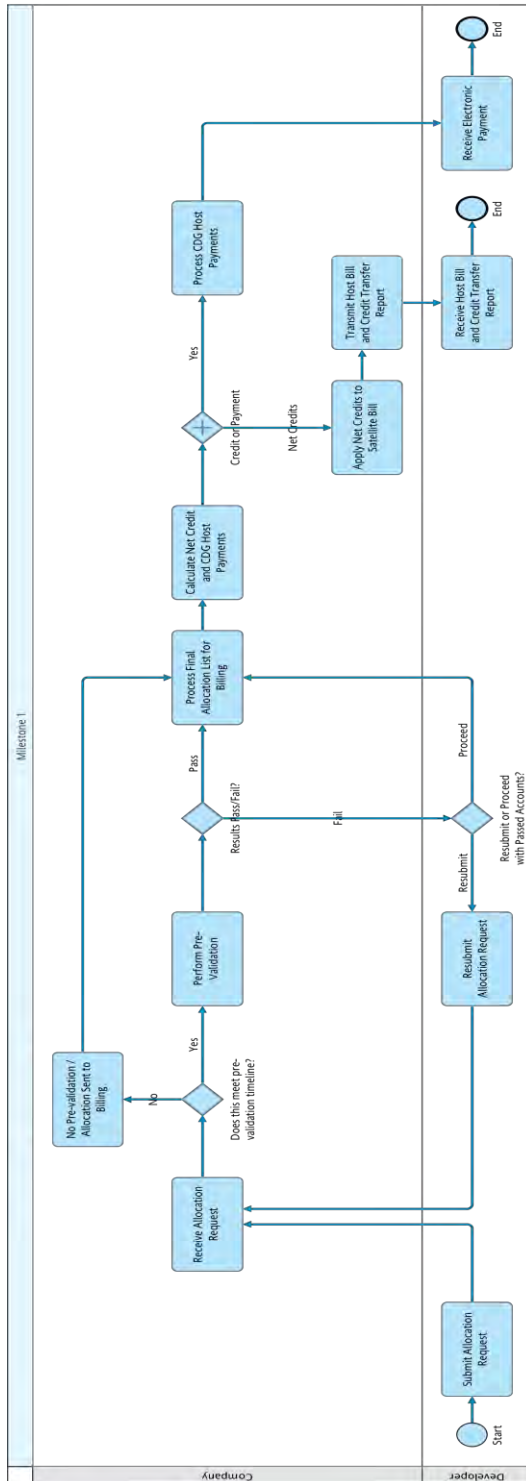
Appendix H – CDG Enrollment Process



Appendix I – CDG Unenrollment Process



Appendix J – CDG Subsequent Allocation Request Process



**NEW YORK STATE ELECTRIC & GAS CORPORATION
ROCHESTER GAS AND ELECTRIC CORPORATION**

Volumetric Community Distributed Generation

Procedural Requirements

18 Link Drive
P.O. Box 5224
Binghamton, NY 13902

Effective April 1, 2026

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1. INTRODUCTION

On July 17, 2015, the Public Service Commission (“PSC” or “Commission”) issued the Order Establishing a Community Distributed Generation Program and Making Other Findings (the “Order”), in Case 15-E-0082¹ under which the policies, requirements and conditions for implementing Community Net Metering were established. (Community Net Metering is referred to as Community Distributed Generation (“CDG”) in all communications.)

Beginning May 1, 2016, New York State Electric & Gas Corporation (“NYSEG”) and Rochester Gas and Electric Corporation (“RG&E”), herein after jointly referred to as the “Companies” or individually as the “Company”, will effectuate a CDG Program available to any Net Metered Generation Facility, within the Company’s service territory, subject to the eligibility requirements set forth herein.

Under the CDG Program, there are three main parties: the CDG Host; CDG Satellites; and the Company. A CDG Host is the project sponsor and is responsible for owning or operating the generation facility, coordinating the project’s interconnection and operation with the Company, and supervising and fostering cooperation among the project’s satellites. CDG Satellites are electric customers who will own or contract for a proportion of the credits accumulated at the generation facility’s meter, as a percentage of the facility’s output in excess of usage on the CDG Host’s account. The Company will be responsible for distributing the credits from the CDG Host’s account in accordance with the CDG Host’s instructions.

The procedures may change from time to time based on experience or changes in PSC orders, including adoption or modification of the Uniform Business Practices². In the event of any inconsistency between the rate schedule(s) or any PSC order of the above-mentioned requirements and this plan, the rate schedule(s) and PSC orders will govern.

2. DEFINITIONS

CDG Host: A non-residential customer that owns or operates electric generating equipment eligible for net metering in accordance to NYSEG P.S.C. No. 120 and RG&E P.S.C No 19 and whose net energy produced by its generating equipment is applied to the accounts of other electric customers (“CDG Satellites”) with which it has a contractual arrangement related to the disposition of net metering credits.

CDG Host Anniversary Month: 11 months from the CDG Host’s initial CDG bill period start date. The CDG Host Anniversary month cannot be modified or changed.

CDG Satellite: An electric customer who is participating in a CDG Program. Each customer shall own or contract for a proportion of the credits accumulated at the meter of the CDG Host.

Excess Generation: The electricity (kWh) supplied by the CDG Host to the Company during the billing period that exceeds the electricity (kWh) supplied by the Company to CDG Host. For customers billed on

¹ Case 15-E-0082 – Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions for Implementing a Company Net Metering Program

² Case 15-M-0180 Uniform Business Practices for Distributed Energy Resource Suppliers

time-differentiated rates (TOU meter), *e.g.*, On-Peak/Off-Peak, the excess is calculated for each peak. For hourly billed customers, excess generation is calculated for each hourly period.

Prior Excess Generation: Undistributed excess generation remaining on the CDG Host’s account from prior bill periods.

Net-Metered Generation Facility: A generation facility eligible for net metering as a non-residential customer in conformance with Public Service Law 66-j or 66-l, limited in size consistent with those statutes, located behind a Host meter attached to a load under either a demand or non-demand classification.

3. CDG HOST ELIGIBILITY PROVISIONS

- a. The CDG Host is a non-residential customer who owns or operates electric generating equipment eligible for net metering under Public Service Law, section 66-j or 66-l and whose net energy produced by its generating equipment is applied to accounts of other electric customers (“CDG Satellites”) with which it has a contractual arrangement related to the disposition of net metering credits.
- b. The CDG Host has a contract in writing with each of their satellite customers for a portion of the excess generation accumulated at the meter of the CDG Host and ensures all CDG Satellites meet participation requirements.
- c. The Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellites including contractual terms, pricing, dispute resolution and contract term.
- d. Parties must meet all terms and conditions of this Procedure, which may be amended or superseded from time to time.
- e. Parties must meet the requirements of the PSC that are adopted pursuant to its Orders, issued in Case 15-E-0082³ and to be issued in Case 15-M-0180⁴.
- f. The CDG Host is certifying in writing to the Company, both prior to commencing net metered service under CDG and annually thereafter, that it has met all requirements established and is in compliance with all applicable laws and the Data Security Agreement.

4. CDG HOST PROGRAM PROVISIONS

The CDG Host shall:

³ Case 15-E-0082 – Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions for Implementing a Company Net Metering Program

⁴ Case 15-M-0180 - In the Matter of Regulation and Oversight of Distributed Energy Resource Providers and Products

- a. Comply with any and all requirements of the Public Service Commission and with the Companies' electricity rate schedule, NYSEG P.S.C. No. 119, and NYSEG P.S.C. No. 120 and RG&E P.S.C No. 19, and RG&E P.S.C No. 18 which may be amended from time to time.
- b. Operate in compliance with the standards and requirements set forth in the New York State Standardized Interconnection Requirements("SIR").
- c. Provide consistent and fair treatment to customers.
- d. Maintain processes and procedures to resolve customer inquiries without undue discrimination in an efficient manner and provide an acknowledgement or a response to a customer inquiry within 2 days and if only an acknowledgement is provided, a response within 14 days.
- e. Direct the customer to contact NYSEG at 1-800-572-1111 or RG&E at 1-800-743-2110 if an inquiry is specific to utility service.
- f. Maintain information regarding customer inquiries and complaints pertaining to its products and services and designate a representative to provide information relating to customer inquiries and complaints to the Department of Public Service (alternatively referred to as "DPS", "Department" or "Staff").
- g. Seek to resolve disputes among CDG Satellites in the first instance. If the dispute cannot be resolved, the Satellites can contact DPS to pursue the dispute resolution process available at the Department to resolve disputes between CDG Host and Satellites.
- h. Obtain written authorization from the customer to request and receive the customer's historical consumption prior to providing the customer's name and account number to the Company through available Company methods such as Electronic Data Interchange or Secured Service Site.
- i. Certify that it has written authorization from the customer to request and receive the customer's historical usage information upon request of the information from the Company.
- j. Certify it has entered into a written contract with a customer upon submitting CDG Allocation Requests on behalf of such customer.
- k. Be a non-residential customer with a Net-Metered Generation Facility under Public Service Law 66-j or 66-l.
- l. Certify in writing to the Company, both prior to commencing net metered service under CDG and annually thereafter, that it has met all requirements established and is in compliance with all applicable laws and CDG program requirements.
- m. Certify they can satisfy the obligations assumed with respect to their CDG Satellites.
- n. Be and remain in good standing in the Company's CDG program and all other Company programs, as applicable, and the CDG Host shall not be in default under any agreement by and between CDG Host and Company.

- o. Not request termination or suspension of the Company's electric service to a CDG Satellite Account.

5. CDG PROCESS RESPONSIBILITIES

The Parties shall be responsible for complying with all the following processes and associated customer care activities:

Distributed Generation Application

1. Complete and submit the Standard Interconnection Requirements document to the Company via distributedgenerationadmin@avangrid.com.
2. After submitting an application for Distributed Generation, the applicant will receive a project file number.
3. After receiving approval from the Company and meeting all requirements related to the interconnection of the Net-Metered Generation Facility, the applicant shall be notified of their effective interconnection date via a final installation letter.

CDG Host Required Documents

Complete and submit the following documents to the Company via NYSEG_CDG@nyseg.com or RG&E_CDG@rge.com, as applicable:

- CDG Host Information Form (Appendix A)
- CDG Host Certification (Appendix B)
- CDG Data Exchange Protocols (Appendix C)
- Agent Authorization Form (Appendix D) as applicable.

Once the required documents have been submitted to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com, the CDG Host will receive an email that includes the Data Security Agreement. After the host reviews the Data Security Agreement, it should be signed and emailed to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com.

If the CDG Host wishes to enroll the project in the Net Crediting Program, additional required documents must be submitted as discussed in Section 7.B below.

Data Exchange processes

After all CDG Host Required Documents are received, the Company will send the following to the CDG Host via separate emails:

- a. CDG Host ID, to be used in the file nomenclature
- b. CDG Host password for protected spreadsheets
- c. Password protected spreadsheets (Initial/Subsequent/Banked Requests)

The above information will be emailed to the address provided in Appendix C within 10 business days, or other timeframe that is mutually agreeable.

The CDG Host shall submit requests to the Company via email with request contents contained in an attached password protected Excel file. CDG Host inquiries related to the administration and/or billing

of the CDG program shall be directed to NYSEG_CDG@nyseg.com or_RGE_CDG@rge.com. Requests shall be submitted to same email.

The Company will confirm via email acceptance or denial of each request within 5 business days, or other timeframe that is mutually agreeable, upon receipt of each data request.

Sample spreadsheets and required spreadsheet file naming conventions for Initial Allocation, Subsequent Allocation, and Banked Allocation Requests can be found in Appendix C, Data Exchange Protocols.

The Data Exchange processes are defined below:

- A. Historical Consumption Request
- B. Initial Allocation Request
- C. Subsequent Allocation Request
- D. Banked Allocation Request
- E. Satellite Account Closure and Notification

A. Historical Consumption Request

- i. Historical Consumption Requests can be made through the Secured Services portal available on NYSEG.com or RGE.com, or through Electronic Data Interchange (EDI).
- ii. Data will be returned and will include 12-months of usage when available.
- iii. For additional information regarding access through Secured Service email NYSEG_CDG@nyseg.com or RGE_CDG@rge.com, as applicable. For additional information regarding access through EDI, emails can be sent to Supplier_Relations@rge.com.

B. Initial Allocation Request

- i. Initial Allocation Requests must be received a minimum of 60 days before commencing billing under CDG. The host shall designate the Host Account and the CDG Satellite Accounts that will receive net metering service in the initial Allocation Request.
 - a. Accepted Allocation Requests will be effective with the first full Host Account billing period from the later of 45 days after receipt of such request or effective date of interconnection.
 - b. The CDG Host has the option to request that if a CDG Satellite is rejected, the CDG Satellite be removed and the percentage originally allocated to that CDG Satellite, be added to the CDG Host's allocation percentage. The CDG Host must select "Yes" in the specified cell on the allocation file consenting to the automatic removal of the CDG Satellite. The file will then be marked Accepted.
- ii. The CDG Host will communicate to the Company any electric metered CDG Satellite Accounts with which it has a contractual agreement related to the disposition of net metering credits via email. Satellite allocations of Host Account Excess Generation should be specified in a percentage up to three decimal places of accuracy.
- iii. Satellite allocations must total 100% or less. For Satellite allocations less than 100%, the CDG Host must designate the remaining percentage to their CDG Host account.

- iv. The CDG Host must designate no fewer than ten CDG Satellite accounts with active NYSEG electric service under NYSEG P.S.C. No. 120 and RG&E P.S.C. No. 19 or RG&E electric service except when the project:
 - a. is located on the site of a property serving multiple residential or non-residential customers.
 - b. only serves farm operations (“CDG Farm Project”), as defined in PSL Agricultural and Markets Law, Section 301(11); and residences of individuals who own or are employed by the served farm operations. A CDG Farm Project that seeks to waive the minimum number of Satellite Accounts shall be responsible for certifying to the Company that each Satellite Account is either a farm operation or the owner or employee of one of the farm operation Satellite Accounts
- v. No more than 40% of the Excess Generation of the CDG Host may serve CDG Satellites of 25 kW or greater (for those members collectively); provided, however, that the CDG Host may include each dwelling unit located within a multi-unit building and served indirectly as though it were a separate participant for determining whether the ten CDG Satellite minimum and 40% output limits are reached or for a CDG Farm Project, waive the requirement that no single large Satellite Account member or group of Satellite Account members consume more than 40% of the credits generated by the CDG Farm Project
- vi. The CDG Host may not request an allocation for an account that is a net metered customer-generator a Remote Net Metered Host or Satellite Account or taking Standby Service under NYSEG P.S.C. No. 120, Service Classification 11 or RG&E P.S.C. No. 19, Service Classification 14.
- vii. All associated CDG Satellite Accounts must be located within the Company’s service territory and within the same NYISO zone as the CDG Host.
- viii. Each Satellite allocation distribution percentage must amount to at least 1,000 kWh annually but may not exceed the CDG Satellite Account’s historic average annual kWh usage (or forecast usage if historic data is not available).
- ix. The Company will validate the request and respond with the appropriate error message as outlined in Appendix C. A password protected spreadsheet will be attached to the email and note the specific reason(s) for failure as documented in Appendix C.
- x. If, for any reason, a request does not pass validation, the entire request will be rejected. The CDG Host must submit a new Allocation Request to the Company. An accepted request must be received 45 days before net metered service will commence starting with the time a new file is received.

C. Subsequent Allocation Request

- i. After commencing net metered service under the CDG Program, the CDG Host may modify its CDG Satellite Accounts and/or the percentage allocated to itself or one or more of its CDG Satellite Accounts once per CDG Host billing cycle by giving notice to the Company no less than 30 days before the CDG Host Account’s cycle billing date to which the modifications apply.
- ii. The information contained in the Subsequent Allocation Request will follow the same request format, validation, and submittal process as outlined in the Initial Allocations Requests section above and as noted in Appendix C, except as noted in subparagraphs below.

- a. CDG Host must include all CDG Satellites allocations when submitting a revised distribution percentage for any of their Satellite customers.
- b. Accepted requests will be effective with the first full CDG Host bill period after 30 days receipt of an accepted Allocation Request.
- c. The distribution percentage in effect shall apply to both the Current and Prior Excess Generation for the CDG Host bill period.
- d. Only one valid Allocation Request will be accepted in a calendar month. If the request is rejected, a new Allocation Request can be submitted in the same calendar month. A new submission must adhere to the approval guidelines of 30 days prior to the bill period.

D. Banked Allocation Requests

After the completion of the CDG Host's first 12 months of CDG service, the CDG Host must furnish to the Company at least once per calendar year, and as often as once per CDG Host billing cycle, and with no less than 30 days' notice, written instructions for allocating any excess credits banked to the CDG Host's account. The CDG Host cannot allocate to its own account. No distribution will be made if instructions are not received by the required date. If the Company does not receive the required notification any banked credits on the CDG Host account will be forfeited.

The CDG Host may choose to submit a Host Banked Allocation Request to fully distribute 100% or a partial amount of the Host Account's Banked Monetary Credits to its members.

CDG Host Account shall have up to a two-year grace period following the CDG Host's Anniversary month to distribute excess credits they retain at the end of the annual period. If the CDG Host Account has any annual credits remaining at the end of the two-year grace period, it shall forfeit the number of credits equal to the smallest number of credits that were in the CDG Host's account at any point during the grace period.

- i. The CDG Host may furnish to the Companies a Banked Allocation request at any time. A Banked allocation is effective for a one-time allocation only.
- ii. The most recent Allocation Request in effect prior to the Banked Allocation Request will continue to be applied to all on-going allocations unless a new Subsequent Allocation request is Submitted.

E. Satellite Account Closure

- i. The Company may close a customer's account for multiple reasons including but not limited to (a) bankruptcy, (b) shut off for non-payment, or (c) customer request.
- ii. A CDG Satellite Account shall no longer receive credits after the final bill is rendered on its account. Any remaining excess generation credits after application to the Satellite Account's will be transferred back to the CDG Host Account, as described in the Companies' Tariffs
- iii. Satellite Account closures will be communicated on the Host Summary Report.

F. Host Account Closure and Transfer of Ownership

- i. A CDG Host shall notify the Company of any change in ownership of the CDG project or ownership structure, including party responsible for the CDG Host utility bill, in writing via distributedgenerationadmin@avangrid.com or NYSEG_CDG@nyseg.com or RGE_CDG@rge.com, at least sixty days prior to the effective date of the change.
- ii. Per Company Tariffs, transfer of ownership within the same CDG compensation mechanism, does not constitute a CDG Host account closure. The Company will transfer CDG Host banked credits to the new account under the new owner.
- iii. Per Company Tariffs, for a Host account closure where ownership is not transferred, any remaining banked credits after a CDG Host's final bill is rendered shall not be transferred. Prior to their final bill, a CDG Host may submit a Banked Allocation Request per section 5D to avoid forfeiture of credits banked at the CDG Host.
- iv. The new owner or entity responsible for the CDG Host project shall constitute a new CDG Host. The new CDG Host will be provided a new CDG Host account, Host ID, and allocation forms.

Allocation and Applied Credits

As each Satellite Account is billed, excess kWh designated to the Satellite Account is converted to a monetary credit and applied to the per kWh charges on the Satellite Account and if applicable, Company supply charges or Consolidated Bill charges from the ESCO. Monetary credits are calculated using the per kWh rate for the Service Classification applicable to the Satellite Account. If a credit remains after applying to the Satellite Account, the credit is converted back to kWh based on the per kWh rate for the Service Classification applicable to the Satellite Account. If a volumetric credit remains after applying to the Satellite Account, the remaining credit shall remain on the Satellite Account until used. Satellite credits shall not expire at the end of an annual period. Any unallocated credits or allocations retained at the CDG Host Account, shall be combined with the next month's volumetric or monetary credits to be applied to the CDG Host Account and Satellite Accounts, as applicable.

A. Host Summary Report

The Host Summary Report (also referred to as the Coversheet) is a monthly report sent to the CDG Host showing the kWh percentage of excess generation, from the most recent CDG Host bill, allocated to each Satellite. The Host Summary Report shows the excess generation that had previously been allocated but still not applied to a bill (including any forfeited kWh from dropped or move out satellite accounts where the final bill has been issued within the host billing period), the excess generation allocated for the current month, and the total available excess generation for use on a future bill. In addition, move-out dates are provided for relevant accounts. Accounts removed from the prior allocation and allocations effective for the current period are identified.

7. NET CREDITING MANUAL

On December 12, 2019, the PSC issued the Order Regarding Consolidated Billing for Community Distributed Generation (“Net Crediting Order”), in Case 19-M-0463⁵ under which the policies, requirements and conditions for implementing Net Crediting were established.

Beginning April 1, 2026, the Companies will offer the Net Crediting Program as an option to any CDG Volumetric Project that is interconnected or filing for interconnection, within the Company’s service territory, subject to the eligibility requirements set forth herein. Submission of Net Crediting enrollment materials can commence after April 1, 2026.

The Net Crediting Program allows satellites to receive one bill from their Company showing their Net Member Credits. This differs from the traditional CDG billing model where a satellite receives two bills, one from both the Company and one from the CDG Host. The Company will apply a portion of each Satellite’s CDG Generation Credits calculated per NYSEG P.S.C. No. 120 or RG&E P.S.C No. 19 and remit the remainder to the CDG Host, less the Utility Administrative Fee.

A. Definitions

1. **CDG Host Payment** is the monthly payment from the Company, separate from the CDG Host’s retail electric bill, to the CDG Host representing the sum of CDG Subscription Fees from the CDG Project for Net Credits applied to satellite accounts, less the Utility Administrative Fee which will be retained by the Company.
2. **CDG Savings Rate** is the rate used to calculate the value of the CDG Credits that will be provided by the Company to CDG Satellites’ electric Company accounts, allocated as directed by the CDG Host, where such rate shall not be less than five percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Customer, if applicable.
3. **CDG Subscription Fee** is the amount of the Applied Credit withheld from a CDG Satellite’s Company bill for the amount owed to the CDG Host, calculated pursuant to NYSEG P.S.C. No. 120 and RG&E P.S.C No. 19.
4. **Excluded Anchor Customer** is a demand-billed, non-mass market Company electricity customer with average demand greater than or equal to 25kW in the last twelve months that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Host identifies as being excluded from the Net Crediting Program. If the CDG Host notifies the Company that the CDG Project has an Excluded Anchor Customer, the Company will not apply the CDG Savings Rate to Applied Credits for the Excluded Anchor Customer. Only one Excluded Anchor Customer may be excluded from the Net Crediting Program per CDG Project.
5. **Net Crediting Program** is a voluntary program offered by the Company to CDG Hosts. The Company’s Net Crediting Program as implemented pursuant to the Net Crediting Order where the Company applies a portion of the Credits to the CDG Satellites’ electricity Company account and remits payment for the remainder to the CDG Host, less the Utility Administrative Fee.

⁵ Case 19-M-0463 – In the Matter of Consolidated Billing for Distributed Energy Resources

6. **Net Crediting Subscription Contract** is the agreement between the CDG Host and each CDG Satellite participating in the Net Crediting Model.
7. **Net Member Credits** are the resulting credits on the CDG Satellite's electricity Company account calculated pursuant to NYSEG P.S.C. No. 120 or RG&E P.S.C No. 19, based on the CDG Credits, the applicable CDG Savings Rate, the CDG Satellite's Allocation Percentages, the CDG Satellite's monthly retail charges, and the CDG Satellite's Banked Monetary Credits.
8. **Utility Administrative Fee** is the amount of the CDG Credits that the Company will retain, to cover implementation and administration of the Net Crediting Program, as approved by the Commission. The rate used to calculate the Utility Administrative fee is specified in the Company's Tariffs. The initial rate approved by the Commission is one percent and may be updated by the Company from time to time.

B. Net Crediting Host Enrollment Process

1. The CDG Host enrolls or re-enrolls the CDG Project by filling out and signing Appendix E, the Community Distributed Generation Net Crediting Agreement and submitting via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com. The Company will sign and return the Net Crediting Agreement to the CDG Host once all completed documents are received. A signed agreement must be received for each CDG Project to be enrolled in the Net Crediting Program.
2. The CDG Host must also complete Appendix F, the Net Crediting Consent Form and submit via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com. On this form, the CDG Host shall designate an initial CDG Savings Rate which will be applicable to all CDG Satellites for the CDG Project.
3. The CDG Host must be current on their utility account tied to the CDG Host project to be eligible and participate in Net Crediting.
4. If the CDG Host identifies an Excluded Anchor Customer in the Net Crediting Consent Form, the Company will not apply a CDG Savings Rate to the Excluded Anchor Customer's Applied Credits. The Company will not pay the CDG Host a CDG Subscription Fee for the Excluded Anchor Customer.
5. The CDG Host must also complete and submit the following documents.

NOTE: these forms are **only** available via email request to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com:

- Appendix H (Vendor Creation Modification Form)
- Appendix I (ACH Authorization Form)
- Business Classification Form

In addition, the Host must also submit:

- Appendix G (W9 Form)
- Voided check / bank signed letterhead with banking information / vendor signed letterhead with banking information. Requirements for each are noted in Appendix I.

Completed forms are to be submitted via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com.

NOTE: The Company will not split payments between the owner and any other agent of the project.

Additional NOTE: Avangrid can only establish one ACH account per Company, per Vendor, per Tax Identification number, regardless of the Business purpose.

6. By signing the Net Crediting Consent Form and submitting Net Crediting Allocation Requests, the CDG Host certifies they have entered into written contracts with each of its CDG Satellites acknowledging that each CDG Satellite will receive Net Credits pursuant to the Net Crediting Program.
7. A new CDG Host resulting from a transferring ownership of the Volumetric project or party responsible for utility billing account tied to a CDG project wishing to participate in Net Crediting, shall execute and submit all required enrollment documentation as described above, at least sixty days prior to the final meter read date of the prior CDG Host.

C. Net Crediting Allocation Requests

1. When a project is accepted into the Net Crediting Program, they will be given a Net Crediting Allocation Request File. This file should be used instead of the standard Allocation Request File to designate monthly Host and Satellite allocations. Included on the Net Crediting Allocation File will be a place where the Host must fill in the CDG Savings Rate for each Allocation Request that is sent in (see Appendix C).
2. While the Net Crediting Allocation request form is in a different format from the Subsequent Volumetric CDG Allocation Request, the process is the same as Subsequent Allocation Requests described above.
3. If applicable, an Excluded Anchor Customer must be noted in the designated spot on the Allocation Request.

D. Net Crediting Process Timelines

1. For new CDG Projects wishing to enroll in the Net Crediting Program, the necessary documents, as described above, must be approved no less than 60 days prior to commencing CDG billing. CDG Net Crediting will be effective with the first CDG Host bill, only if all net crediting enrollment documentation is completed and received 60 days prior to the first CDG Host bill. Otherwise, CDG Net Crediting will be effective with the next CDG Host bill on or after 60 days from which the Company received all completed net crediting enrollment documentation.
2. For active CDG Projects wishing to enroll in the Net Crediting Program, the necessary documents, as described above, must be approved no less than 60 days prior to the CDG Host Account's cycle billing date to which the modifications apply. The Company will advise the CDG Host of the CDG Host Bill effective date that Net Crediting will begin. The Company will use best efforts to enroll projects as soon as possible.
3. CDG Satellites will begin receiving their Net Credits for bill periods ending after the CDG Host Bill effective date.
4. If a project wants to unenroll from the Net Crediting Program, the CDG Host must submit a completed Net Crediting Consent Form requesting to unenroll in the Net Crediting Program no less than 45 days prior to the CDG Host Account's cycle billing date to which the modifications apply. The CDG Host must

provide a termination letter with self-certification that CDG Satellites have been notified of the unenrollment and that they will no longer receive net credits from the CDG Host project as of the termination effective date.

5. For active CDG Projects wishing to re-enroll, the CDG Host will be able re-enroll 12 months after unenrolling from the Net Crediting Program.
6. The CDG Host Payments will occur via ACH monthly, after each CDG Host read date. See section H below for more details.

E. CDG Savings Rate

1. The CDG Savings Rate can be updated once every six months, during the months of March and September, by submission via the Net Crediting Allocation Request. The CDG Host may update the CDG Savings Rate no earlier than six months from the initial effective date of the CDG Host's enrollment in the Net Crediting Program. The CDG Host shall comply with the Subsequent Allocation CDG Procedures and Timelines to change the CDG Savings Rate.
2. The CDG Host must ensure they have affirmative consent from all affected customers prior to submitting a reduction to the project's CDG Savings Rate.
3. The CDG Savings Rate shall be a minimum of five percent and no greater than 100 percent minus the Utility Administration Fee percentage rate.
4. The CDG Savings Rate shall have the precision of no more than two decimal places expressed in whole percentage increments (e.g. 0.07, 7%) and be specified as a decimal on the Net Crediting Allocation Request File.
5. The CDG Savings Rate will become effective on the same date to which the CDG Host Account's cycle billing date to which the allocations apply. The CDG Savings Rate will be applicable to Satellite bills with a bill period end date after the Savings Rate effective date.
6. The CDG Savings Rate applicable to Banked Allocation Requests will be the same as the CDG Savings Rate effective for Subsequent Allocation Requests processed during the same period.

F. The Excluded Anchor Customer

1. The Excluded Anchor Customer can be updated monthly and should be submitted on the Allocation Request. The CDG Host shall comply with the Subsequent Allocation CDG Procedures and Timelines.
2. The updated Excluded Anchor Customer will become effective on the same date to which the CDG Host Account's cycle billing date to which the allocations apply, including any from a Banked Allocation Request. The Excluded Anchor Customer will be applicable to the affected Satellite bills with a bill period end date after the Excluded Anchor Customer's effective date.
3. The CDG Savings rate will not apply to the Excluded Anchor Customer, if applicable.

G. Calculation of the Net Credit, CDG Satellite Payment and Utility Administrative Fee

1. The CDG Savings Rate applied to a CDG Satellite's bill will be the rate in effect, as described in E.4., on the CDG Satellite's bill period end date.
2. A CDG Subscription Fee will be calculated for a CDG Satellite's Applied Credit each billing period. The CDG Subscription Fee is equal to the amount of the Applied Credit multiplied by a percentage equal to one minus the CDG Savings Rate.
3. Each billing period, the Company shall post the Applied Credit to the CDG Satellite's electricity charges and post a debit for the CDG Subscription Fee, resulting in a Net Credit to the Satellite.
4. The Utility Administrative Fee is equal to the Applied Credit multiplied by the Utility Administrative Fee percentage rate. Note: The rate used will be the rate effective at the time the CDG Satellite's Applied Credit is calculated.
5. If the CDG Host identifies an Anchor Customer, the Company will not apply any CDG Subscription Fee to the Anchor Customer's portion of the Applied Credit.
6. For the first billing cycle to which Net Crediting is applicable and all subsequent billing cycles, the CDG Savings Rate will be applied to the CDG Generation credits on Satellites non-anchor customer bills.

For example, a CDG Satellite is allocated a credit of \$100 pursuant to the CDG Host's direction. The CDG Satellite's electricity charges on their Company bill are \$90. The Applied Credit is \$90 and \$10 is carried over to the CDG Satellite's subsequent billing period. Using a Savings Rate of five percent, the CDG Subscription Fee is \$85.50 (*i.e.*, $\$90 \times (1 - .05) = \$85.50$). The Satellite's Net Credit for the billing period is \$4.50. Using the above example, the Utility Administrative Fee is \$0.90 (*i.e.*, \$90 Applied Credit multiplied by the one percent Utility Administrative Fee).

The following is an example of the CDG Net Crediting.

Illustrative Example of Volumetric CDG Net Crediting Model Credits and Payments

For one billing month

- a CDG Savings Rate 10% As set by CDG Sponsor
- b Utility Administrative Fee Rate (i.e., Discount Rate) 1.00% Set by NYSPSC per Order; may be changed in future filings

Satellites	CDG Savings Rate	Satellite Allocation Percentage ²	CDG Generation credits applied to billed electricity charges ^{3,4}	CDG Utility Administration Fee	CDG Host Payment ⁵	Customer Subscription Fee	Customer Net Credit Savings
	c	d	e	f=b*e	g=e-f-i	h=f+g	i=a*e
Unallocated (Banked to CDG Host for future redistribution) ¹	N/A	10.000%					
CDG Satellite 1	10%	5.000%	\$10.00	\$0.10	\$8.90	\$9.00	\$1.00
CDG Satellite 2	10%	10.000%	\$25.00	\$0.25	\$22.25	\$22.50	\$2.50
CDG Satellite 3	10%	5.000%	\$15.00	\$0.15	\$13.35	\$13.50	\$1.50
CDG Satellite 4	10%	5.000%	\$10.00	\$0.10	\$8.90	\$9.00	\$1.00
CDG Satellite 5	10%	10.000%	\$20.00	\$0.20	\$17.80	\$18.00	\$2.00
CDG Satellite 6	10%	5.000%	\$10.00	\$0.10	\$8.90	\$9.00	\$1.00
CDG Satellite 7	10%	5.000%	\$10.00	\$0.10	\$8.90	\$9.00	\$1.00
CDG Satellite 8	10%	5.000%	\$15.00	\$0.15	\$13.35	\$13.50	\$1.50
CDG Satellite 9	10%	10.000%	\$10.00	\$0.10	\$8.90	\$9.00	\$1.00
Excluded Anchor Satellite ¹	N/A	30.000%	\$75.00	N/A	N/A	N/A	NA
Subtotal		100.000%		\$1.25	\$111.25		

Notes:

¹CDG Savings Rate is not applicable to the CDG Sponsor banked credits or the Excluded Anchor Satellite

²Satellite Allocation Percentages are provided by the CDG Sponsor; Unallocated is the difference between 100% and the sum of the CDG Sponsor allocated Satellite Percentages

³Applied Credits are calculated and applied per NYSEG P. S. C. 120 or RG&E P. S. C. 19 schedule, as applicable

⁴The Excluded Anchor Satellite's Credit is the actual credit to the electric charges on the bill

⁵The CDG Sponsor Payment is provided to the CDG Sponsor in one payment per month

H. Net Crediting Payments to CDG Host

1. Payments will be issued within 40 days of rendering a CDG Host Bill.
2. Payments will equal the Net CDG Subscription fees applied to Satellite accounts for the period between the prior CDG Host bill and current Host bill, less the amount owed to the Company for applicable Utility Administrative Fees.
3. A Company's cancel/rebill of a CDG Satellite results in recalculation of their Net Credit and therefore an adjustment to the CDG Subscription Fee and Host payment.
4. The Company will continue to make payment to the CDG Host for CDG Satellites in arrears on their utility account.
5. The Company must receive changes to banking information at least 60 days prior to the CDG Host Account's cycle billing date on which the banking information will become effective. To request a change, resubmit Appendix I - ACH Authorization Form and necessary documentation to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com.

Host Summary Report

- For CDG projects participating in the Net Crediting program fields will be added to the existing Host Summary Report to include Net Crediting, CDG Savings Rate and Anchor Customer. An example of the Host Summary Report is below.

Customer Name: ABC Company					
Account Number: 010000000001					
Start Billing Period: 05/17/2023					
End Billing Period: 06/30/2023					
Previous Months KWH Carryover: 62163					
Current Month Generation: 359400					
Total Generation Available: 421563					
kWh applied to Host Consumption: 600					
Excess Remaining for Allocation: 420963					
Host Allocation %: 15.848%					
Host KWH Carryover: 66846					
Forfeited kWh: 0					
Net Crediting Yes					
CDG Savings Rate 5%					
Anchor Customer					
	Satellite Account #	Satellite Allocation %	Carry-Over Generation	Current kWh Allocated	Total Available kWh
	10000000002	0.726%	1483	633	2116
	10000000003	0.121%	1001	2599	3600
	10000000004	0.318%	201	633	834
	10000000005	0.021%	324	317	641
	Totals	84.152%	3009	4182	7191
	Satellite Move Out Account #	Move Out Date			
	10000000006	6/11/2023			
	Satellite Dropped Account #	Drop Date			
	10000000007	6/11/2023			
	10000000008	5/15/2023			

I. Applied Credits Report

- For CDG projects participating in the Net Crediting program fields will be added to the existing Host Applied Credit Report to include Net Credit, Sponsor Payment, Savings Rate and Utility Fee by Satellite. Payments will reflect the amounts in the Host Applied Credit Report. An example of the Applied Credit Report is below.

Host Account Information															
Host Name	ABC Company														
Account #	10000000001														
Vendor #															
Start of Period	6/1/2023														
End of Period	6/30/2023														

J. Satellite Removal from an Active Net Credit Project

1. For CDG Satellite accounts that receive a final bill, the disposition of remaining credits will be done as described above in Section 5.E. The Company will cease payment to the CDG Host for any remaining CDG satellite credits.
2. For active Company accounts, former CDG Satellites of a CDG Host participating in Net Crediting (Company accounts without an allocation for the most recent CDG Host Bill) will continue to receive Net Credits resulting from any prior Satellite Banked Monetary Credits until such bank is depleted.

K. Bill Message

1. No bill messages from the CDG project will be allowed for Volumetric CDG Net Crediting.

L. Bill Print

1. A Satellite's Applied CDG Generation credits, will appear under the miscellaneous charge section of NYSEG and RG&E invoices.
2. The customer's Net Crediting CDG Subscription fee (includes the utility fee) will appear under the miscellaneous charge section of NYSEG and RG&E invoices.

M. Additional Items

1. If the CDG Host receives a CDG Satellite subscription fee payment directly from a CDG Satellite for an applied credit in which the CDG Host also received payment from the Company, the CDG Host will return such payment to the CDG Satellite.
2. A CDG Host may not charge any additional fee or otherwise require additional payment outside of the Net Crediting arrangement for mass market customers.
3. If the CDG Host fails to pay any tariff charges on the CDG Host account for which a written bill has been rendered:
 - i. and arrears exceed 30 days, then the Company shall withhold the CDG Host payment until the CDG Host has provided payment of the full amount in arrears.
 - ii. and arrears exceed 90 days, the Company shall remove the CDG Host from the CDG Net Crediting Program.
4. The CDG Sponsor shall handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Utility. The Utility will remain responsible for resolving Utility billing-related customer inquiries and complaints
5. Budget Billed customers will see their monthly electric installments reduced by the difference between the Satellite's Applied CDG Generation Credit and the applied Subscription Fee (includes the Utility Fee) on each bill.
6. Cancel/Rebill

- i. If a Satellite is issued a cancel rebill, the type of crediting (Net Crediting or 100% of the Applied Credits) that was effective on the bill period end date of the cancelled bill will be applicable for the rebill, including former Satellites of CDG Host.
- ii. If a Satellite is issued a cancel rebill, the CDG Savings Rate that was effective on the bill period end date of the cancelled bill will be applicable for the rebill.

7. Taxes

- i. The Company is not responsible for assessing or collecting any taxes on payments made to the CDG Host.
- ii. CDG Hosts have the obligation of remitting any applicable taxes on subscription fees to the appropriate federal, state, or local taxing authority.
- iii. The Company will not report CDG Host payments under Net Crediting to the Internal Revenue Service as income and no Form 1099's will be issued to CDG Host payments.

- 8. If the Company declares a Force Majeure event, the timelines and processes outlined in this Procedure may be impacted.

8. TRACK CHANGES

This section is used to track changes to this document. Effective Date (MM/DD/YYYY)	Revision Title	Revision Description
9/1/16	Original Document	Original Document Effective
9/1/23	Updates resulting from Commission Orders and Tariff revisions, plus additional housekeeping items	-Added Track Changes section -Combined separate NYESG and RG&E NEM/Volumetric Procedural Requirements into one document -Added process for Host to default rejected allocations to Host allocation -Added exceptions regarding 10 minimum satellites -Updates to annual/banked allocation process -Added allocation and applied credits section
4/1/26	Updates to add Net Crediting.	Program details and progress guidelines for Net Crediting added. Appendix E – Appendix I added

Appendices

Appendix A – CDG Host Information Form

Please email all inquiries & documents pertaining to CDG to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com.

Account Name: _____

Account Number (if already assigned): _____

What is the proposed main breaker size?

☐ 100 amp ☐ 200 amp ☐ 400 amp ☐ Other ☐ Don't know

Character of Service

- ☐ 1 phase, 3 wire, 120/240V
- ☐ 1 phase, 3 wire Y, 120/208V
- ☐ 3 phase, 4 wire Y, 120/208V
- ☐ 3 phase, 4 wire delta, 120/240V
- ☐ 3 phase, 4 wire Y 277/480V

Service Address: _____

Street: _____

City: _____ Zip: _____

NYSEG/RG&E Project File Number-_____

Requested Interconnection Date: _____

Size (kW AC): _____

Non-Residential Generation Type (check one):

- ☐ Solar electric generating equipment with a rated capacity less than or equal to 2,000 kW
- ☐ Wind electric generating equipment with a rated capacity less than or equal to 2,000 kW
- ☐ Micro-hydroelectric electric generating equipment with a rated capacity less than or equal to 2,000 kW
- ☐ Fuel cell electric generating equipment with a rated capacity less than or equal to 2,000 kW
- ☐ Farm waste electric generating equipment with a rated capacity less than or equal to 1,000 kW

Appendix B – CDG Host Certification

Check One:

☐ Initial CDG Certification

☐ Annual CDG Host Certification

☐ I certify that this CDG application meets all terms and conditions of NYSEG P.S.C. No. 119 and P.S.C. No. 120 and RG&E P.S.C No 19 scheduled for Electric Service Rate Information and requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082 and Case 15-M-0180, as they may be amended or superseded from time to time.

☐ I certify that the CDG Host is a non-residential customer who owns or operates electric generating equipment eligible for net metering under Public Service Law, section 66-j or 66-l and whose net energy produced by its generating equipment is applied to accounts of other electric customers (“CDG Satellites”) with which it has a contractual arrangement related to the disposition of net metering credits.

☐ I certify that the CDG Host has a contract in writing with each of their satellite customers for a portion of the excess generation accumulated at the meter of the CDG Host and ensures all CDG Satellites meet participation requirements.

☐ I certify that the Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellites, including contractual terms, pricing, dispute resolution and contract term.

☐ I certify that the CDG Host is certifying in writing to the Company, both prior to commencing net metered service under CDG and annually thereafter, that it has met all requirements established and is in compliance with all applicable laws and meets the terms of the Confidentiality Agreement and Data Security Rider.

☐ I certify that the CDG Satellite Accounts with demands of 25kW or greater listed with this application receive, in aggregate, no more than 40 percent of the generator’s output.

☐ I certify that each Satellite allocation distribution percentage must amount to at least 1,000 kWh annually but may not exceed the CDG Satellite Account’s historic average annual kWh usage (or forecast usage if historic data is not available).

☐ I certify that all CDG Satellite Accounts, whether submitted with the initial application or subsequently, are in the same NYISO Load Zone as the CDG Host.

☐ I certify that the sponsor (CDG Host) of this project meets all criteria outlined and agreed upon between the Parties in the Procedural Requirement document as may be revised, modified, amended, clarified, supplemented, or superseded from time to time.

☐ I certify that the sponsor of this project (CDG Host) will satisfy all obligations assumed with respect to project members (CDG Satellites).

☐ To the best of my knowledge, the information provided herein is accurate and no attempt has been made to misrepresent the facts.

☐ I will re-submit these certifications to NYSEG or RG&E on an annual basis.

CDG Host Name: _____

Name of Applicant: _____

Signature: _____

Date: _____

Telephone: _____

Email: _____

Affiliation to person responsible for account: (Check One)

- ☐ Owner
- ☐ Partner
- ☐ Agent (Attach Appendix D – Agent Authorization Form)
- ☐ Corporate Officer
- ☐ Other - specify: _____

Appendix C – Data Exchange Protocols

The Parties shall follow the process outlined in Section 6 above to exchange data. Data shall be exchanged using the following email addresses:

NYSEG: NYSEG_CDG@nyseg.com

RGE: RGE_CDG@rge.com

CDG HOST EMAIL: _____

CDG Host Email as completed in Appendix A - CDG Host Information Form

*Data exchange file nomenclature includes a Host ID assigned by the Company and provided in the “Company Use Only” section CDG Host Information Form

Initial, Subsequent and Banked Allocation Requests

File Format:

The CDG Host shall request initial and subsequent allocations using the following form:

- NYSEG_RG&E CNM Allocation Request Form.xlsx

Inbound File:

The CDG Host shall submit Allocation Requests to the Company pursuant to Section 5 above.

File Naming Conventions:

The CDG Host shall submit allocation requests using the applicable nomenclature:

- Initial Request: Host ID_In Req_YYYYMMDD.xlsx⁶
- Subsequent Request: Host ID_Sub Req_YYYYMMSS.xlsx
- Banked Request: Host ID_Bank_Reg_YYYYMMDD.xlsx

Example Initial/Subsequent Allocation Request:

NYSEG		Community Distributed Generation (CDG) Volumetric Allocation Request Form		RGE	
8/4/2023					
Host Information: Please fill in					
Utility Company	NYSEG				
CDG Host Account #	10000000001	Mailing Address	PO BOX 1234	Contact Name	CDG Host Representative
HOST ID	HOSTID001		Amityville NY 12345	E-mail Address (coversheets will be sent here)	cdghost@cdg.com
Service Address	123 Main St	Apply Rejected Satellite Allocations to Host	Yes	Phone #	123-456-7890
City, State Zip Code	Amityville NY 12345				
Which Allocation request is this for:					
Check One	☒ Initial Allocation Request: must be submitted at least 60 days prior to the CDG Host Account commencing service under the CDG Program. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage. ☐ Subsequent Allocation Request: must be submitted no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage. ☐ Banked Allocation: If less than 100% allocated the remaining percentage will be the Host's Banked Monetary Credits. The Host can allocate any percentage of the banked credits to any subscriber to be applied to the next bill period. Banked credits will remain on the Host's account until they are used up or the Host has reached their 2 year limitation.				
Satellite allocation information					
To be filled in by Host				To be filled in by Utility	
ID	Account Number	Account Name	Allocation %	Bill Cycle	Service Class
			100.000%		
Host Allocation	10000000001	CDG HOST	13.195%		
1	10000000002	John Smith	0.166%	#N/A	#N/A
2	10000000003	Jane Doe	0.169%	#N/A	#N/A
				#N/A	#N/A
				#N/A	#N/A
				#N/A	#N/A

⁶ Host ID will be limited to the first 7 characters of Host Name followed by assigned three-digit sequence. This information will be provided in the initial email sent with files attached.

Net Crediting Initial, Subsequent and Banked Allocation Requests

File Format:

The CDG Host shall request initial and subsequent allocations using the following form:

- a. NYSEG_RG&E Net Crediting Volumetric Allocation Request Form.xlsx

Inbound File:

The CDG Host shall submit Allocation Requests to the Company pursuant to Section 5 above.

File Naming Conventions:

The CDG Host shall submit allocation requests using the applicable nomenclature:

- a. Initial Request: Host ID_In Req_YYYYMMDD.xlsx
- b. Subsequent Request: Host ID_Sub Req_YYYYMMSS.xlsx
- c. Banked Request: Host ID_Bank Req_YYYYMMDD.xlsx

Example Initial/Subsequent Net Crediting Allocation Request:

NYSEG		Community Distributed Generation (CDG) Net Crediting Volumetric Allocation Request Form				RG&E		
Host Information - Please fill in								
Utility Company	NYSEG							
CDG Host Account #		Mailing Address		E-mail Address	Contact Name			
CDG Account Name					(coversheets will be sent here)			
Service Address					Phone #			
City, State Zip Code		Apply Rejected Satellite Allocations to Host						
Net Crediting								
Savings Rate:	5%	Excluded Anchor Customer:						
Which Allocation request is this for:								
Check One	Initial Allocation Request: must be submitted at least 60 days prior to the CDG Host Account commencing service under the CDG Program. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.							
	Subsequent Allocation Request: must be submitted no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.							
	Banked Allocation: If less than 100% allocated the remaining percentage will be the Host's Banked Monetary Credits. The Host can allocate any percentage of the banked credits to any subscriber to be applied to the next bill period. Banked credits will remain on the Host's account until they are used up or the Host has reached their 2 year limitation.							
Satellite allocation Information								
To be filled in by Host					To be filled in by Utility			
ID	Account Number	Account Name	Allocation %	CDG Savings Rate	Bill Cycle	Service Class	With an ESCO	Satellite Validation
Host Allocation			96-140%					
Anchor Customer								
1					#N/A	#N/A	#N/A	
2					#N/A	#N/A	#N/A	
3					#N/A	#N/A	#N/A	
4					#N/A	#N/A	#N/A	

Outbound File:

The Company shall complete the Utility sections of the allocation request form. Completed requests shall be provided to the CDG Host pursuant to Section 5.

File Naming Convention:

The Company shall provide completed allocation requests using the following nomenclature:

Outbound Accepted

- a. Initial Request: Host ID_In Req_Accept_YYYYMMDD.xlsx⁷

⁷ Host ID will be limited to the first 7 characters of Host Name followed by assigned three-digit sequence. This information will be provided in the initial email sent with files attached.

- b. Subsequent Request: Host ID _999 _Sub Req_Accept_YYYYMMDD.xlsx
- c. Banked Request: Host ID _999 _Bank Req_Accept_YYYYMMDD.xlsx

Outbound Rejected

- a. Initial Request: Host ID _999 _In Req_Reject_YYYYMMDD.xlsx
- b. Subsequent Request: Host ID _999 _Sub Req_Reject_YYYYMMDD.xlsx
- c. Banked Request: Host ID _999 _Bank Req_Reject_YYYYMMDD.xlsx

Validation:

As described in Section 5 paragraphs A, B and C, the Company shall review the submitted application and either accept or deny the request. The Company shall provide error messages for the accounts that are found to be invalid.

- a. Review Process:
If the CDG Host information fails validation the request will be rejected, and validation will not be performed on the Satellite accounts.

Rejected files will include rejection reason codes, for example:

- a. Rejected – Host Validation
 - i. “Account not active”
 - ii. “Account not found”
 - iii. “Account not eligible”
 - iv. “Allocation not equal to 100%”
- b. Rejected – Satellite Validation
 - i. “Invalid – Account Moved Out”
 - ii. “Invalid – Invalid Account Number”
 - iii. “Invalid – Account with Another Host”
 - iv. “Invalid – Zone mismatch”
 - v. “Invalid – Account has Net Metered Service”

Example Satellite Validation:

Satellite allocation Information				To be filled in by Utility			
To be filled in by Host							
ID	Account Number	Account Name	Allocation %	Bill Cycle	Service Class	With an ESCO	Satellite Validation
Host Allocation	10000000001	CDG HOST	100.000%				
1	10000000002	John Smith	0.166%	84	1	NED0100D00	Valid
2	10000000003	Jane Doe	0.169%	24	8	NED0800E00	Invalid - Account with Another Host
				10	1	NED0100D00	Invalid - Account Moved Out

Appendix D – Agent Authorization

(To be completed by the host for any agent expected to receive or provide account information.)

I _____, authorize my agent

Print Host Name

_____ to act on my behalf on all matters pertaining to the

Print Agent Name & Agent Company Name

management of the _____ Community Distributed Generation project located

Size in KW

at _____ .

Address of Host Account, City, NY, Zip code

If you have any questions, I can be reached at _____ .

Phone #

Sincerely,

_____ Date _____

Appendix E – Net Crediting Agreement

located on website: [CDG Net Crediting Service Agreement - NYSEG](#) or [CDG Net Crediting Service Agreement - RG&E](#)

Community Distributed Generation Net Crediting Agreement for [_____]

This Agreement ("Agreement") is made this _____ day of _____, 20____,
Between New York State Electric and Gas (NYSEG) and Rochester Gas and Electric (RGE), a New
York Domestic Business Corporation with a principal place of business at 18 Link Dr. Binghamton, NY
13904 and

_____, a community distributed
generation ("CDG") sponsor (the "CDG Sponsor" or "Sponsor"), a [state]_____ [type of legal
entity]_____ with a principal place of business at
_____. The Utility and the CDG
Sponsor are also individually referred to herein as a "Party" or collectively as "Parties."

Whereas, the New York State Public Service Commission ("Commission") first authorized
CDG in its July 17, 2015 Order Establishing a Community Distributed Generation Program and
Making Other Findings in Case 15-E-0082 to enable a broader community participation in
renewable programs;

Whereas, the Commission subsequently issued its March 9, 2017 *Order on Net Metering
Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* ("VDER
Transition Order") in Case 15-E-0751 which in part provided for modifications to the
compensation of Distributed Energy Resources ("DERs") by creating the Value Stack
compensation mechanism for eligible DERs, including CDG projects;

Appendix F – Net Crediting Consent Form



CDG Net Crediting Consent Form

Check One: ☐ Enroll ☐ Unenroll

Company: ☐ NYSEG ☐ RG&E

Project ID:

CDG Host Name:

CDG Host Account #:

Savings Rate: % Excluded Anchor Customer Account #, if any:

Initial bill message, if any*:

**Note: Not applicable to Volumetric Net Crediting. Value Stack bill message will be available after automation*

Net Crediting Checklist

The CDG Host shall review and complete all documents listed below. Please submit documents via encrypted email to NYSEG_CDG@NYSEG.com or RGE_CDG@RGE.com. The Company will notify the CDG Host via email upon receipt of all completed enrollment documents.

- ☐ Appendix E: CDG Net Crediting Service Agreement
- ☐ Appendix F: CDG Net Crediting Consent Form
- ☐ Appendix G: W9 Form
- ☐ Appendix H: Vendor Creation Modification Form
- ☐ Appendix I: ACH Authorization Form
- ☐ Supporting bank document (Voided check, bank signed letterhead, or vendor signed letterhead)
- ☐ Business Classification Form

Appendix G – W9 Form

Form W-9 (Rev. November 2017) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification ► Go to www.irs.gov/FormW9 for instructions and the latest information.	Give Form to the requester. Do not send to the IRS.																																																		
1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.																																																				
2 Business name/disregarded entity name, if different from above																																																				
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. ☐ Individual/sole proprietor or single-member LLC ☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____ ☐ Other (see instructions) ► _____ ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ (Applies to accounts maintained outside the U.S.)																																																			
5 Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional)																																																			
6 City, state, and ZIP code																																																				
7 List account number(s) here (optional)																																																				
Part I Taxpayer Identification Number (TIN) Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i>, later. Note: If the account is in more than one name, see the instructions for line 1. Also see <i>What Name and Number To Give the Requester</i> for guidelines on whose number to enter.																																																				
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Part II Certification Under penalties of perjury, I certify that: - The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and - I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and - I am a U.S. citizen or other U.S. person (defined below); and - The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.																																																				

Appendix H – Vendor Creation Modification Form

Host must request form via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com

➤ Contact Person:

Name:			
E-mail ⁽¹⁾ :		Phone:	

➤ Payment Remittance Address (ALL fields are required):

Name:			Tax ID:		
DBA:			Country:		
Address:					
City:		State:		Zip +4:	
E-mail:			Phone:		

➤ Purchase Order Address (only if different from the Remittance Address):

Address:			Country:		
City:		State:		Zip +4:	
E-mail:			Phone:		

➤ Required documentation for vendor registration or address modification:

- Copy of W9 (US Vendor) / W8 (Foreign Vendor) form.
- Business Classification form.

Description of goods or services to be provided:

If non-US vendor, please indicate if services will be on US soil: Yes ☐ No ☐

Bank details: Bank detail updates must be processed through Minfo. Once a vendor # has been assigned, an email will be delivered with complete details.

Appendix I – ACH Authorization Form

Host must request form via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com

For secure account verification voided check is required or a signed bank or company letterhead

Vendor/Supplier number:		Last 4 digits of Tax ID Number:	
Vendor Name:			
Mailing Address:			
City:		State:	
		Zip:	
Bank Name:		Bank City/State:	
Type of Account (check one):	Savings:	☐	Checking: ☐
ABA Routing Number:		Account Number:	
Email address to email ACH payment advice:			

Note: all ACH payment advices will be sent via email. A paper remittance will not be mailed.

Requirements of the Voided Check:

The voided check must meet the following requirements to be accepted by the Company.

- “Void” must be printed across the check
- The name on the voided check must match the Vendor Name on the ACH form.
- The bank routing and account number must match the ACH form.
- Blank check attachments or deposit slips will not be accepted in lieu of a voided check.

Requirements of the Bank Letter:

The bank letter must meet the following requirements to be considered complete. Incomplete bank letters will not be accepted by the Company.

- Must be on the bank’s letterhead.
- Must include the name of the name of the payee (the name of the bank account holder) and must match the Vendor Name on the ACH form.
- Must include the payee’s routing and bank account number and must match the ACH form.
- Must be signed and dated by the officer of the bank.

Requirements of the Vendor (CDG Host) Letter:

The Vendor letter must meet the following requirements to be considered complete. Incomplete bank letters will not be accepted by the Company.

- Must be on the Vendor’s letterhead.
- Must include the name of the name of the payee (the name of the bank account holder) and must match the Vendor Name on the ACH form.
- Must include the Bank Name.
- Must include the payee’s routing and bank account number and must match the ACH form.
- Must be signed and dated by the officer of the Vendor.

**NEW YORK STATE ELECTRIC & GAS CORPORATION
ROCHESTER GAS AND ELECTRIC CORPORATION**

Volumetric Community Distributed Generation

Procedural Requirements

18 Link Drive
P.O. Box 5224
Binghamton, NY 13902

Effective ~~April 1, 2026~~ September 1, 2023

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1. INTRODUCTION

On July 17, 2015, the Public Service Commission (“PSC” or “Commission”) issued the Order Establishing a Community Distributed Generation Program and Making Other Findings (the “Order”), in Case 15-E-0082¹ under which the policies, requirements and conditions for implementing Community Net Metering were established. (Community Net Metering is referred to as Community Distributed Generation (“CDG”) in all communications.)

Beginning May 1, 2016, New York State Electric & Gas Corporation (“NYSEG”) and Rochester Gas and Electric Corporation (“RG&E”), herein after jointly referred to as the “Companies” or individually as the “Company”, will effectuate a CDG Program available to any Net Metered Generation Facility, within the Company’s service territory, subject to the eligibility requirements set forth herein.

Under the CDG Program, there are three main parties: the CDG Host; CDG Satellites; and the Company. A CDG Host is the project sponsor and is responsible for owning or operating the generation facility, coordinating the project’s interconnection and operation with the Company, and supervising and fostering cooperation among the project’s satellites. CDG Satellites are electric customers who will own or contract for a proportion of the credits accumulated at the generation facility’s meter, as a percentage of the facility’s output in excess of usage on the CDG Host’s account. The Company will be responsible for distributing the credits from the CDG Host’s account in accordance with the CDG Host’s instructions.

The procedures may change from time to time based on experience or changes in PSC orders, including adoption or modification of the Uniform Business Practices². In the event of any inconsistency between the rate schedule(s) or any PSC order of the above-mentioned requirements and this plan, the rate schedule(s) and PSC orders will govern.

2. DEFINITIONS

CDG Host: A non-residential customer that owns or operates electric generating equipment eligible for net metering in accordance to NYSEG P.S.C. No. 120 and RG&E P.S.C No 19 and whose net energy produced by its generating equipment is applied to the accounts of other electric customers (“CDG Satellites”) with which it has a contractual arrangement related to the disposition of net metering credits.

CDG Host Anniversary Month: 11 months from the CDG Host’s initial CDG bill period start date. The CDG Host Anniversary month cannot be modified or changed.

CDG Satellite: An electric customer who is participating in a CDG Program. Each customer shall own or contract for a proportion of the credits accumulated at the meter of the CDG Host.

Excess Generation: The electricity (kWh) supplied by the CDG Host to the Company during the billing period that exceeds the electricity (kWh) supplied by the Company to CDG Host. For customers billed on time-differentiated rates (TOU meter), *e.g.*, On-Peak/Off-Peak, the excess is calculated for each peak. For hourly billed customers, excess generation is calculated for each hourly period.

¹ Case 15-E-0082 – Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions for Implementing a Company Net Metering Program

² Case 15-M-0180 Uniform Business Practices for Distributed Energy Resource Suppliers

Prior Excess Generation: Undistributed excess generation remaining on the CDG Host's account from prior bill periods.

Net-Metered Generation Facility: A generation facility eligible for net metering as a non-residential customer in conformance with Public Service Law 66-j or 66-l, limited in size consistent with those statutes, located behind a Host meter attached to a load under either a demand or non-demand classification.

3. CDG HOST ELIGIBILITY PROVISIONS

- a. The CDG Host is a non-residential customer who owns or operates electric generating equipment eligible for net metering under Public Service Law, section 66-j or 66-l and whose net energy produced by its generating equipment is applied to accounts of other electric customers ("CDG Satellites") with which it has a contractual arrangement related to the disposition of net metering credits.
- b. The CDG Host has a contract in writing with each of their satellite customers for a portion of the excess generation accumulated at the meter of the CDG Host and ensures all CDG Satellites meet participation requirements.
- c. The Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellites including contractual terms, pricing, dispute resolution and contract term.
- d. Parties must meet all terms and conditions of this Procedure, which may be amended or superseded from time to time.
- e. Parties must meet the requirements of the PSC that are adopted pursuant to its Orders, issued in Case 15-E-0082³ and to be issued in Case 15-M-0180⁴.
- f. The CDG Host is certifying in writing to the Company, both prior to commencing net metered service under CDG and annually thereafter, that it has met all requirements established and is in compliance with all applicable laws and the Data Security Agreement.

4. CDG HOST PROGRAM PROVISIONS

The CDG Host shall:

- a. Comply with any and all requirements of the Public Service Commission and with the Companies' electricity rate schedule, NYSEG P.S.C. No. 119, and NYSEG P.S.C. No. 120 and RG&E P.S.C No. 19, and RG&E P.S.C No. 18 which may be amended from time to time.

³ Case 15-E-0082 – Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions for Implementing a Company Net Metering Program

⁴ Case 15-M-0180 - In the Matter of Regulation and Oversight of Distributed Energy Resource Providers and Products

- b. Operate in compliance with the standards and requirements set forth in the New York State Standardized Interconnection Requirements (“SIR”).
- c. Provide consistent and fair treatment to customers.
- d. Maintain processes and procedures to resolve customer inquiries without undue discrimination in an efficient manner and provide an acknowledgement or a response to a customer inquiry within 2 days and if only an acknowledgement is provided, a response within 14 days.
- e. Direct the customer to contact NYSEG at 1-800-572-1111 or RG&E at 1-800-743-2110 if an inquiry is specific to utility service.
- f. Maintain information regarding customer inquiries and complaints pertaining to its products and services and designate a representative to provide information relating to customer inquiries and complaints to the Department of Public Service (alternatively referred to as “DPS”, “Department” or “Staff”).
- g. Seek to resolve disputes among CDG Satellites in the first instance. If the dispute cannot be resolved, the Satellites can contact DPS to pursue the dispute resolution process available at the Department to resolve disputes between CDG Host and Satellites.
- h. Obtain written authorization from the customer to request and receive the customer’s historical consumption prior to providing the customer’s name and account number to the Company through available Company methods such as Electronic Data Interchange or Secured Service Site.
- i. Certify that it has written authorization from the customer to request and receive the customer’s historical usage information upon request of the information from the Company.
- j. Certify it has entered into a written contract with a customer upon submitting CDG Allocation Requests on behalf of such customer.
- k. Be a non-residential customer with a Net-Metered Generation Facility under Public Service Law 66-j or 66-l.
- l. Certify in writing to the Company, both prior to commencing net metered service under CDG and annually thereafter, that it has met all requirements established and is in compliance with all applicable laws and CDG program requirements.
- m. Certify they can satisfy the obligations assumed with respect to their CDG Satellites.
- n. Be and remain in good standing in the Company’s CDG program and all other Company programs, as applicable, and the CDG Host shall not be in default under any agreement by and between CDG Host and Company.
- o. Not request termination or suspension of the Company’s electric service to a CDG Satellite Account.

5. CDG PROCESS RESPONSIBILITIES

The Parties shall be responsible for complying with all the following processes and associated customer care activities:

Distributed Generation Application

1. Complete and submit the Standard Interconnection Requirements document to the Company via distributedgenerationadmin@avangrid.com.
2. After submitting an application for Distributed Generation, the applicant will receive a project file number.
3. After receiving approval from the Company and meeting all requirements related to the interconnection of the Net-Metered Generation Facility, the applicant shall be notified of their effective interconnection date via a final installation letter.

CDG Host Required Documents

Complete and submit the following documents to the Company via NYSEG_CDG@nyseg.com or RG&E_CDG@rge.com, as applicable:

- CDG Host Information Form (Appendix A)
- CDG Host Certification (Appendix B)
- CDG Data Exchange Protocols (Appendix C)
- Agent Authorization Form (Appendix D) as applicable.

Once the required documents have been submitted to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com, the CDG Host will receive an email that includes the Data Security Agreement. After the host reviews the Data Security Agreement, it should be signed and emailed to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com.

If the CDG Host wishes to enroll the project in the Net Crediting Program, additional required documents must be submitted as discussed in Section 7.B below.

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Data Exchange processes

After all CDG Host Required Documents are received, the Company will send the following to the CDG Host via separate emails:

- a. CDG Host ID, to be used in the file nomenclature
- b. CDG Host password for protected spreadsheets
- c. Password protected spreadsheets (Initial/Subsequent/Banked Requests)

The above information will be emailed to the address provided in Appendix C within 10 business days, or other timeframe that is mutually agreeable.

The CDG Host shall submit requests to the Company via email with request contents contained in an attached password protected Excel file. CDG Host inquiries related to the administration and/or billing of the CDG program shall be directed to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com. Requests shall be submitted to same email.

The Company will confirm via email acceptance or denial of each request within 5 business days, or other timeframe that is mutually agreeable, upon receipt of each data request.

Sample spreadsheets and required spreadsheet file naming conventions for Initial Allocation, Subsequent Allocation, and Banked Allocation Requests can be found in Appendix C, Data Exchange Protocols.

The Data Exchange processes are defined below:

- A. Historical Consumption Request
- B. Initial Allocation Request
- C. Subsequent Allocation Request
- D. Banked Allocation Request
- E. Satellite Account Closure and Notification

A. Historical Consumption Request

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- i. Historical Consumption Requests can be made through the Secured Services portal available on NYSEG.com or RGE.com, or through Electronic Data Interchange (EDI).
- ii. Data will be returned and will include 12-months of usage when available.
- iii. For additional information regarding access through Secured Service email NYSEG_CDG@nyseg.com or RGE_CDG@rge.com, as applicable. For additional information regarding access through EDI, emails can be sent to Supplier_Relations@rge.com.

B. Initial Allocation Request

- i. Initial Allocation Requests must be received a minimum of 60 days before commencing billing under CDG. The host shall designate the Host Account and the CDG Satellite Accounts that will receive net metering service in the initial Allocation Request.
 - a. Accepted Allocation Requests will be effective with the first full Host Account billing period from the later of 45 days after receipt of such request or effective date of interconnection.
 - b. The CDG Host has the option to request that if a CDG Satellite is rejected, the CDG Satellite be removed and the percentage originally allocated to that CDG Satellite, be added to the CDG Host's allocation percentage. The CDG Host must select "Yes" in the specified cell on the allocation file consenting to the automatic removal of the CDG Satellite. The file will then be marked Accepted.
- ii. The CDG Host will communicate to the Company any electric metered CDG Satellite Accounts with which it has a contractual agreement related to the disposition of net metering credits via email. Satellite allocations of Host Account Excess Generation should be specified in a percentage up to three decimal places of accuracy.
- iii. Satellite allocations must total 100% or less. For Satellite allocations less than 100%, the CDG Host must designate the remaining percentage to their CDG Host account.
- iv. The CDG Host must designate no fewer than ten CDG Satellite accounts with active NYSEG electric service under NYSEG P.S.C. No. 120 and RG&E P.S.C. No. 19 or RG&E electric service except when the project:
 - a. is located on the site of a property serving multiple residential or non-residential customers.

- b. only serves farm operations (“CDG Farm Project”), as defined in PSL Agricultural and Markets Law, Section 301(11); and residences of individuals who own or are employed by the served farm operations. A CDG Farm Project that seeks to waive the minimum number of Satellite Accounts shall be responsible for certifying to the Company that each Satellite Account is either a farm operation or the owner or employee of one of the farm operation Satellite Accounts
- v. No more than 40% of the Excess Generation of the CDG Host may serve CDG Satellites of 25 kW or greater (for those members collectively); provided, however, that the CDG Host may include each dwelling unit located within a multi-unit building and served indirectly as though it were a separate participant for determining whether the ten CDG Satellite minimum and 40% output limits are reached or for a CDG Farm Project, waive the requirement that no single large Satellite Account member or group of Satellite Account members consume more than 40% of the credits generated by the CDG Farm Project
- vi. The CDG Host may not request an allocation for an account that is a net metered customer-generator a Remote Net Metered Host or Satellite Account or taking Standby Service under NYSEG P.S.C. No. 120, Service Classification 11 or RG&E P.S.C. No. 19, Service Classification 14.
- vii. All associated CDG Satellite Accounts must be located within the Company’s service territory and within the same NYISO zone as the CDG Host.
- viii. Each Satellite allocation distribution percentage must amount to at least 1,000 kWh annually but may not exceed the CDG Satellite Account’s historic average annual kWh usage (or forecast usage if historic data is not available).
- ix. The Company will validate the request and respond with the appropriate error message as outlined in Appendix C. A password protected spreadsheet will be attached to the email and note the specific reason(s) for failure as documented in Appendix C.
- x. If, for any reason, a request does not pass validation, the entire request will be rejected. The CDG Host must submit a new Allocation Request to the Company. An accepted request must be received 45 days before net metered service will commence starting with the time a new file is received.

C. Subsequent Allocation Request

- i. After commencing net metered service under the CDG Program, the CDG Host may modify its CDG Satellite Accounts and/or the percentage allocated to itself or one or more of its CDG Satellite Accounts once per CDG Host billing cycle by giving notice to the Company no less than 30 days before the CDG Host Account’s cycle billing date to which the modifications apply.
- ii. The information contained in the Subsequent Allocation Request will follow the same request format, validation, and submittal process as outlined in the Initial Allocations Requests section above and as noted in Appendix C, except as noted in subparagraphs below.
 - a. CDG Host must include all CDG Satellites allocations when submitting a revised distribution percentage for any of their Satellite customers.

- b. Accepted requests will be effective with the first full CDG Host bill period after 30 days receipt of an accepted Allocation Request.
- c. The distribution percentage in effect shall apply to both the Current and Prior Excess Generation for the CDG Host bill period.
- d. Only one valid Allocation Request will be accepted in a calendar month. If the request is rejected, a new Allocation Request can be submitted in the same calendar month. A new submission must adhere to the approval guidelines of 30 days prior to the bill period.

D. Banked Allocation Requests

After the completion of the CDG Host's first 12 months of CDG service, the CDG Host must furnish to the Company at least once per calendar year, and as often as once per CDG Host billing cycle, and with no less than 30 days' notice, written instructions for allocating any excess credits banked to the CDG Host's account. The CDG Host cannot allocate to its own account. No distribution will be made if instructions are not received by the required date. If the Company does not receive the required notification any banked credits on the CDG Host account will be forfeited.

The CDG Host may choose to submit a Host Banked Allocation Request to fully distribute 100% or a partial amount of the Host Account's Banked Monetary Credits to its members.

CDG Host Account shall have up to a two-year grace period following the CDG Host's Anniversary month to distribute excess credits they retain at the end of the annual period. If the CDG Host Account has any annual credits remaining at the end of the two-year grace period, it shall forfeit the number of credits equal to the smallest number of credits that were in the CDG Host's account at any point during the grace period.

- i. The CDG Host may furnish to the Companies a Banked Allocation request at any time. A Banked allocation is effective for a one-time allocation only.
- ii. The most recent Allocation Request in effect prior to the Banked Allocation Request will continue to be applied to all on-going allocations unless a new Subsequent Allocation request is Submitted.

E. Satellite Account Closure

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- i. The Company may close a customer's account for multiple reasons including but not limited to (a) bankruptcy, (b) shut off for non-payment, or (c) customer request.
- ii. A CDG Satellite Account shall no longer receive credits after the final bill is rendered on its account. Any remaining excess generation credits after application to the Satellite Account's will be transferred back to the CDG Host Account, as described in the Companies' Tariffs
- iii. Satellite Account closures will be communicated on the Host Summary Report.

F. Host Account Closure and Transfer of Ownership

- i. A CDG Host shall notify the Company of any change in ownership of the CDG project or ownership structure, including party responsible for the CDG Host utility bill, in writing via distributedgenerationadmin@avangrid.com or NYSEG_CDG@nyseg.com or RGE_CDG@rge.com, at least sixty days prior to the effective date of the change.

ii. Per Company Tariffs, transfer of ownership within the same CDG compensation mechanism, does not constitute a CDG Host account closure. The Company will transfer CDG Host banked credits to the new account under the new owner.

iii. Per Company Tariffs, for a Host account closure where ownership is not transferred, any remaining banked credits after a CDG Host's final bill is rendered shall not be transferred. Prior to their final bill, a CDG Host may submit a Banked Allocation Request per section 5D to avoid forfeiture of credits banked at the CDG Host.

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iv. The new owner or entity responsible for the CDG Host project shall constitute a new CDG Host. The new CDG Host will be provided a new CDG Host account, Host ID, and allocation forms.

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Allocation and Applied Credits

-As each Satellite Account is billed, excess kWh designated to the Satellite Account is converted to a monetary credit and applied to the per kWh charges on the Satellite Account and if applicable, Company supply charges or Consolidated Bill charges from the ESCO. Monetary credits are calculated using the per kWh rate for the Service Classification applicable to the Satellite Account. If a credit remains after applying to the Satellite Account, the credit is converted back to kWh based on the per kWh rate for the Service Classification applicable to the Satellite Account. If a volumetric credit remains after applying to the Satellite Account, the remaining credit shall remain on the Satellite Account until used. Satellite credits shall not expire at the end of an annual period. Any unallocated credits or allocations retained at the CDG Host Account, shall be combined with the next month's volumetric or monetary credits to be applied to the CDG Host Account and Satellite Accounts, as applicable.

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A. Host Summary Report

The Host Summary Report (also referred to as the Coversheet) is a monthly report sent to the CDG Host showing the kWh percentage of excess generation, from the most recent CDG Host bill, allocated to each Satellite. The Host Summary Report shows the excess generation that had previously been allocated but still not applied to a bill (including any forfeited kWh from dropped or move out satellite accounts where the final bill has been issued within the host billing period), the excess generation allocated for the current month, and the total available excess generation for use on a future bill. In addition, move-out dates are provided for relevant accounts. Accounts removed from the prior allocation and allocations effective for the current period are identified.

Customer Name: ABC Company				
Account Number: 010000000001				
Start Billing Period: 05/17/2023				
End Billing Period: 06/30/2023				
Previous Months KWH Carryover: 62163				
Current Month Generation: 359400				
Total Generation Available: 421563				
kWh applied to Host Consumption: 600				
Excess Remaining for Allocation: 420963				
Host Allocation %: 15.848%				
Host KWH Carryover: 66846				
Forfeited kWh: 0				

Applied Credits Report

The Applied Credit Report is a monthly report sent to the CDG Host showing CDG excess generation applied and the CDG Generation Credit Applied to each CDG Satellite's bill for the period specified.

May 2023		ABC Company		
Cont. Acct	Start Bill Period	End Bill Period	CDG kWh Generation Applied	CDG Generation Credit
200100000001	04/21/2023	05/17/2023	681	-\$74.54
200100000002	04/25/2023	05/19/2023	0	\$0.00
200100000003	04/19/2023	05/18/2023	1062	-\$115.77
200100000004	04/29/2023	05/25/2023	1912	-\$220.68

B. Cancel/Rebill

If a CDG Satellite is issued a cancel-rebill, the Allocation File that was effective on the bill period end date of the CDG Satellite's cancelled bill will be applicable for the rebill, including whether the CDG Satellite was a part of that CDG project or not. If a CDG Host rendered bill requires a correction, the Company will contact the CDG Host to discuss the issue and determine the appropriate steps for resolution.

6. CONFIDENTIAL INFORMATION AND DATA SECURITY REQUIREMENTS

The CDG Host agrees to enter into an agreement and abide by the Company's Data Security Agreement.

7. NET CREDITING MANUAL

On December 12, 2019, the PSC issued the Order Regarding Consolidated Billing for Community Distributed Generation ("Net Crediting Order"), in Case 19-M-0463⁵ under which the policies, requirements and conditions for implementing Net Crediting were established.

Beginning April 1, 2026, the Companies will offer the Net Crediting Program as an option to any CDG Volumetric Project that is interconnected or filing for interconnection, within the Company's service territory, subject to the eligibility requirements set forth herein. Submission of Net Crediting enrollment materials can commence after April 1, 2026.

The Net Crediting Program allows satellites to receive one bill from their Company showing their Net Member Credits. This differs from the traditional CDG billing model where a satellite receives two bills, one from both the Company and one from the CDG Host. The Company will apply a portion of each Satellite's CDG Generation Credits calculated per NYSEG P.S.C. No. 120 or RG&E P.S.C No. 19 and remit the remainder to the CDG Host, less the Utility Administrative Fee.

A. Definitions

1. **CDG Host Payment** is the monthly payment from the Company, separate from the CDG Host's retail electric bill, to the CDG Host representing the sum of CDG Subscription Fees from the CDG Project for Net Credits applied to satellite accounts, less the Utility Administrative Fee which will be retained by the Company.
2. **CDG Savings Rate** is the rate used to calculate the value of the CDG Credits that will be provided by the Company to CDG Satellites' electric Company accounts, allocated as directed by the CDG Host, where such rate shall not be less than five percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Customer, if applicable.
3. **CDG Subscription Fee** is the amount of the Applied Credit withheld from a CDG Satellite's Company bill for the amount owed to the CDG Host, calculated pursuant to NYSEG P.S.C. No. 120 and RG&E P.S.C No. 19.
4. **Excluded Anchor Customer** is a demand-billed, non-mass market Company electricity customer with average demand greater than or equal to 25kW in the last twelve months that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Host identifies as being excluded from the Net Crediting Program. If the CDG Host notifies the Company that the CDG Project has an Excluded Anchor Customer, the Company will not apply the CDG Savings Rate to Applied Credits for the Excluded Anchor Customer. Only one Excluded Anchor Customer may be excluded from the Net Crediting Program per CDG Project.

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⁵ Case 19-M-0463 – In the Matter of Consolidated Billing for Distributed Energy Resources

5. **Net Crediting Program** is a voluntary program offered by the Company to CDG Hosts. The Company's Net Crediting Program as implemented pursuant to the Net Crediting Order where the Company applies a portion of the Credits to the CDG Satellites' electricity Company account and remits payment for the remainder to the CDG Host, less the Utility Administrative Fee.
6. **Net Crediting Subscription Contract** is the agreement between the CDG Host and each CDG Satellite participating in the Net Crediting Model.
7. **Net Member Credits** are the resulting credits on the CDG Satellite's electricity Company account calculated pursuant to NYSEG P.S.C. No. 120 or RG&E P.S.C No. 19, based on the CDG Credits, the applicable CDG Savings Rate, the CDG Satellite's Allocation Percentages, the CDG Satellite's monthly retail charges, and the CDG Satellite's Banked Monetary Credits.
8. **Utility Administrative Fee** is the amount of the CDG Credits that the Company will retain, to cover implementation and administration of the Net Crediting Program, as approved by the Commission. The rate used to calculate the Utility Administrative fee is specified in the Company's Tariffs. The initial rate approved by the Commission is one percent and may be updated by the Company from time to time.

B. Net Crediting Host Enrollment Process

1. The CDG Host enrolls or re-enrolls the CDG Project by filling out and signing Appendix E, the Community Distributed Generation Net Crediting Agreement and submitting via email to NYSEG CDG@nyseg.com or RGE CDG@rge.com. The Company will sign and return the Net Crediting Agreement to the CDG Host once all completed documents are received. A signed agreement must be received for each CDG Project to be enrolled in the Net Crediting Program.
2. The CDG Host must also complete Appendix F, the Net Crediting Consent Form and submit via email to NYSEG CDG@nyseg.com or RGE CDG@rge.com. On this form, the CDG Host shall designate an initial CDG Savings Rate which will be applicable to all CDG Satellites for the CDG Project.
3. The CDG Host must be current on their utility account tied to the CDG Host project to be eligible and participate in Net Crediting.
4. If the CDG Host identifies an Excluded Anchor Customer in the Net Crediting Consent Form, the Company will not apply a CDG Savings Rate to the Excluded Anchor Customer's Applied Credits. The Company will not pay the CDG Host a CDG Subscription Fee for the Excluded Anchor Customer.
5. The CDG Host must also complete and submit the following documents.
NOTE: these forms are **only** available via email request to NYSEG CDG@nyseg.com or RGE CDG@rge.com:
 - Appendix H (Vendor Creation Modification Form)
 - Appendix I (ACH Authorization Form)
 - Business Classification FormIn addition, the Host must also submit:
 - Appendix G (W9 Form)
 - Voided check / bank signed letterhead with banking information / vendor signed letterhead with banking information. Requirements for each are noted in Appendix I.

Completed forms are to be submitted via email to NYSEG CDG@nyseg.com or RGE CDG@rge.com.

NOTE: The Company will not split payments between the owner and any other agent of the project.

Additional NOTE: Avangrid can only establish one ACH account per Company, per Vendor, per Tax Identification number, regardless of the Business purpose.

6. By signing the Net Crediting Consent Form and submitting Net Crediting Allocation Requests, the CDG Host certifies they have entered into written contracts with each of its CDG Satellites acknowledging that each CDG Satellite will receive Net Credits pursuant to the Net Crediting Program.
7. A new CDG Host resulting from a transferring ownership of the Volumetric project or party responsible for utility billing account tied to a CDG project wishing to participate in Net Crediting, shall execute and submit all required enrollment documentation as described above, at least sixty days prior to the final meter read date of the prior CDG Host.

C. Net Crediting Allocation Requests

1. When a project is accepted into the Net Crediting Program, they will be given a Net Crediting Allocation Request File. This file should be used instead of the standard Allocation Request File to designate monthly Host and Satellite allocations. Included on the Net Crediting Allocation File will be a place where the Host must fill in the CDG Savings Rate for each Allocation Request that is sent in (see Appendix C).
2. While the Net Crediting Allocation request form is in a different format from the Subsequent Volumetric CDG Allocation Request, the process is the same as Subsequent Allocation Requests described above.
3. If applicable, an Excluded Anchor Customer must be noted in the designated spot on the Allocation Request.

D. Net Crediting Process Timelines

1. For new CDG Projects wishing to enroll in the Net Crediting Program, the necessary documents, as described above, must be approved no less than 60 days prior to commencing CDG billing. CDG Net Crediting will be effective with the first CDG Host bill, only if all net crediting enrollment documentation is completed and received 60 days prior to the first CDG Host bill. Otherwise, CDG Net Crediting will be effective with the next CDG Host bill on or after 60 days from which the Company received all completed net crediting enrollment documentation.
2. For active CDG Projects wishing to enroll in the Net Crediting Program, the necessary documents, as described above, must be approved no less than 60 days prior to the CDG Host Account's cycle billing date to which the modifications apply. The Company will advise the CDG Host of the CDG Host Bill effective date that Net Crediting will begin. The Company will use best efforts to enroll projects as soon as possible.
3. CDG Satellites will begin receiving their Net Credits for bill periods ending after the CDG Host Bill effective date.

4. If a project wants to unenroll from the Net Crediting Program, the CDG Host must submit a completed Net Crediting Consent Form requesting to unenroll in the Net Crediting Program no less than 45 days prior to the CDG Host Account's cycle billing date to which the modifications apply. The CDG Host must provide a termination letter with self-certification that CDG Satellites have been notified of the unenrollment and that they will no longer receive net credits from the CDG Host project as of the termination effective date.
5. For active CDG Projects wishing to re-enroll, the CDG Host will be able re-enroll 12 months after unenrolling from the Net Crediting Program.
6. The CDG Host Payments will occur via ACH monthly, after each CDG Host read date. See section H below for more details.

E. CDG Savings Rate

1. The CDG Savings Rate can be updated once every six months, during the months of March and September, by submission via the Net Crediting Allocation Request. The CDG Host may update the CDG Savings Rate no earlier than six months from the initial effective date of the CDG Host's enrollment in the Net Crediting Program. The CDG Host shall comply with the Subsequent Allocation CDG Procedures and Timelines to change the CDG Savings Rate.
2. The CDG Host must ensure they have affirmative consent from all affected customers prior to submitting a reduction to the project's CDG Savings Rate.
3. The CDG Savings Rate shall be a minimum of five percent and no greater than 100 percent minus the Utility Administration Fee percentage rate.
4. The CDG Savings Rate shall have the precision of no more than two decimal places expressed in whole percentage increments (e.g. 0.07, 7%) and be specified as a decimal on the Net Crediting Allocation Request File.
5. The CDG Savings Rate will become effective on the same date to which the CDG Host Account's cycle billing date to which the allocations apply. The CDG Savings Rate will be applicable to Satellite bills with a bill period end date after the Savings Rate effective date.
6. The CDG Savings Rate applicable to Banked Allocation Requests will be the same as the CDG Savings Rate effective for Subsequent Allocation Requests processed during the same period.

F. The Excluded Anchor Customer

1. The Excluded Anchor Customer can be updated monthly and should be submitted on the Allocation Request. The CDG Host shall comply with the Subsequent Allocation CDG Procedures and Timelines.
2. The updated Excluded Anchor Customer will become effective on the same date to which the CDG Host Account's cycle billing date to which the allocations apply, including any from a Banked Allocation Request. The Excluded Anchor Customer will be applicable to the affected Satellite bills with a bill period end date after the Excluded Anchor Customer's effective date.

3. The CDG Savings rate will not apply to the Excluded Anchor Customer, if applicable.

G. Calculation of the Net Credit, CDG Satellite Payment and Utility Administrative Fee

1. The CDG Savings Rate applied to a CDG Satellite's bill will be the rate in effect, as described in E.4., on the CDG Satellite's bill period end date.
2. A CDG Subscription Fee will be calculated for a CDG Satellite's Applied Credit each billing period. The CDG Subscription Fee is equal to the amount of the Applied Credit multiplied by a percentage equal to one minus the CDG Savings Rate.
3. Each billing period, the Company shall post the Applied Credit to the CDG Satellite's electricity charges and post a debit for the CDG Subscription Fee, resulting in a Net Credit to the Satellite.
4. The Utility Administrative Fee is equal to the Applied Credit multiplied by the Utility Administrative Fee percentage rate. Note: The rate used will be the rate effective at the time the CDG Satellite's Applied Credit is calculated.
5. If the CDG Host identifies an Anchor Customer, the Company will not apply any CDG Subscription Fee to the Anchor Customer's portion of the Applied Credit.
6. For the first billing cycle to which Net Crediting is applicable and all subsequent billing cycles, the CDG Savings Rate will be applied to the CDG Generation credits on Satellites non-anchor customer bills.

For example, a CDG Satellite is allocated a credit of \$100 pursuant to the CDG Host's direction. The CDG Satellite's electricity charges on their Company bill are \$90. The Applied Credit is \$90 and \$10 is carried over to the CDG Satellite's subsequent billing period. Using a Savings Rate of five percent, the CDG Subscription Fee is \$85.50 (i.e., $\$90 \times (1-.95) = \$85.50$). The Satellite's Net Credit for the billing period is \$4.50. Using the above example, the Utility Administrative Fee is \$0.90 (i.e., \$90 Applied Credit multiplied by the one percent Utility Administrative Fee).

The following is an example of the CDG Net Crediting.

Illustrative Example of Volumetric CDG Net Crediting Model Credits and Payments

For one billing month

- a CDG Savings Rate 10% As set by CDG Sponsor
 Utility Administrative Fee Rate (i.e.,
 b Discount Rate) 1.00% Set by NYPSC per Order; may be changed in future filings

Satellites	CDG Savings Rate	Satellite Allocation Percentage ²	CDG Generation credits applied to billed electricity charges ^{3,4}	CDG Utility Administration Fee	CDG Host Payment ⁵	Customer Subscription Fee	Customer Net Credit Savings
	c	d	e	f=b*e	g=e-f-i	h=f+g	i=a*e
Unallocated (Banked to CDG Host for future redistribution) ¹	N/A	10.000%					
CDG Satellite 1	10%	5.000%	\$10.00	\$0.10	\$8.90	\$9.00	\$1.00
CDG Satellite 2	10%	10.000%	\$25.00	\$0.25	\$22.25	\$22.50	\$2.50
CDG Satellite 3	10%	5.000%	\$15.00	\$0.15	\$13.35	\$13.50	\$1.50
CDG Satellite 4	10%	5.000%	\$10.00	\$0.10	\$8.90	\$9.00	\$1.00
CDG Satellite 5	10%	10.000%	\$20.00	\$0.20	\$17.80	\$18.00	\$2.00
CDG Satellite 6	10%	5.000%	\$10.00	\$0.10	\$8.90	\$9.00	\$1.00
CDG Satellite 7	10%	5.000%	\$10.00	\$0.10	\$8.90	\$9.00	\$1.00
CDG Satellite 8	10%	5.000%	\$15.00	\$0.15	\$13.35	\$13.50	\$1.50
CDG Satellite 9	10%	10.000%	\$10.00	\$0.10	\$8.90	\$9.00	\$1.00
Excluded Anchor Satellite ¹	N/A	30.000%	\$75.00	N/A	N/A	N/A	NA
Subtotal		100.000%		\$1.25	\$111.25		

Notes:

¹CDG Savings Rate is not applicable to the CDG Sponsor banked credits or the Excluded Anchor Satellite

²Satellite Allocation Percentages are provided by the CDG Sponsor; Unallocated is the difference between 100% and the sum of the CDG Sponsor allocated Satellite Percentages

³Applied Credits are calculated and applied per NYSEG P.S.C. 120 or RG&E P.S.C. 19 schedule, as applicable

⁴The Excluded Anchor Satellite's Credit is the actual credit to the electric charges on the bill

⁵The CDG Sponsor Payment is provided to the CDG Sponsor in one payment per month

H. Net Crediting Payments to CDG Host

1. Payments will be issued within 40 days of rendering a CDG Host Bill.
2. Payments will equal the Net CDG Subscription fees applied to Satellite accounts for the period between the prior CDG Host bill and current Host bill, less the amount owed to the Company for applicable Utility Administrative Fees.
3. A Company's cancel/rebill of a CDG Satellite results in recalculation of their Net Credit and therefore an adjustment to the CDG Subscription Fee and Host payment.
4. The Company will continue to make payment to the CDG Host for CDG Satellites in arrears on their utility account.
5. The Company must receive changes to banking information at least 60 days prior to the CDG Host Account's cycle billing date on which the banking information will become effective. To request a change, resubmit Appendix I - ACH Authorization Form and necessary documentation to NYSEG CDG@nyseg.com or RGE CDG@rge.com.

Host Summary Report

1. For CDG projects participating in the Net Crediting program fields will be added to the existing Host Summary Report to include Net Crediting, CDG Savings Rate and Anchor Customer. An example of the Host Summary Report is below.

Customer Name: ABC Company					
Account Number: 010000000001					
Start Billing Period: 05/17/2023					
End Billing Period: 06/30/2023					
Previous Months KWH Carryover: 62163					
Current Month Generation: 359400					
Total Generation Available: 421563					
kWh applied to Host Consumption: 600					
Excess Remaining for Allocation: 420963					
Host Allocation %: 15.848%					
Host KWH Carryover: 66846					
Forfeited kWh: 0					
Net Crediting Yes					
CDG Savings Rate 5%					
Anchor Customer					

I. Applied Credits Report

1. For CDG projects participating in the Net Crediting program fields will be added to the existing Host Applied Credit Report to include Net Credit, Sponsor Payment, Savings Rate and Utility Fee by Satellite. Payments will reflect the amounts in the Host Applied Credit Report. An example of the Applied Credit Report is below.

Host Account Information														
Host Name		ABC Company												
Account #		10000000001												
Vendor #														
Start of Period		6/1/2023												
End of Period		6/30/2023												
Cont. Acct	Start Bill Period	End Bill Period	NYSEG/RGE kWh Charges	ESCO Charges	Total Eligible Charges	CDG kWh Allocated	CDG Prior Excess Generation	CDG Generation Credit	CDG kWh Generation Credit Applied or Reversed	CDG Generation kWh remaining	Satellite Savings	Utility Fee	Subscription Fee	Move Out Date
10000000002	05/05/2023	06/05/2023	\$73.82	\$47.29	121.11	688	1483	\$ 42.60	745	1371	\$4.26	\$ 0.43	\$ 37.91	
10000000003	05/04/2023	06/01/2023	\$114.11	\$57.62	171.73	2599	1001	\$ 171.73	2641	999	\$17.17	\$ 1.72	\$ 152.84	
10000000004	05/04/2023	06/01/2023	\$75.67	\$3.06	78.73	613	201	\$ 56.25	834	0	\$5.63	\$ 0.56	\$ 50.06	6/15/2023
10000000005	05/04/2023	06/02/2023	\$33.55	\$9.32	36.87	317	324	\$ 21.30	641	0	\$2.13	\$ 0.21	\$ 18.96	

I. Satellite Removal from an Active Net Credit Project

1. For CDG Satellite accounts that receive a final bill, the disposition of remaining credits will be done as described above in Section 5.E. The Company will cease payment to the CDG Host for any remaining CDG satellite credits.
2. For active Company accounts, former CDG Satellites of a CDG Host participating in Net Crediting (Company accounts without an allocation for the most recent CDG Host Bill) will continue to receive Net Credits resulting from any prior Satellite Banked Monetary Credits until such bank is depleted.

K. Bill Message

1. No bill messages from the CDG project will be allowed for Volumetric CDG Net Crediting.

L. Bill Print

1. A Satellite's Applied CDG Generation credits, will appear under the miscellaneous charge section of NYSEG and RG&E invoices.
2. The customer's Net Crediting CDG Subscription fee (includes the utility fee) will appear under the miscellaneous charge section of NYSEG and RG&E invoices.

M. Additional Items

1. If the CDG Host receives a CDG Satellite subscription fee payment directly from a CDG Satellite for an applied credit in which the CDG Host also received payment from the Company, the CDG Host will return such payment to the CDG Satellite.
2. A CDG Host may not charge any additional fee or otherwise require additional payment outside of the Net Crediting arrangement for mass market customers.
3. If the CDG Host fails to pay any tariff charges on the CDG Host account for which a written bill has been rendered:
 - i. and arrears exceed 30 days, then the Company shall withhold the CDG Host payment until the CDG Host has provided payment of the full amount in arrears.
 - ii. and arrears exceed 90 days, the Company shall remove the CDG Host from the CDG Net Crediting Program.
4. The CDG Sponsor shall handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Utility. The Utility will remain responsible for resolving Utility billing-related customer inquiries and complaints
5. Budget Billed customers will see their monthly electric installments reduced by the difference between the Satellite's Applied CDG Generation Credit and the applied Subscription Fee (includes the Utility Fee) on each bill.

6. Cancel/Rebill

- i. If a Satellite is issued a cancel rebill, the type of crediting (Net Crediting or 100% of the Applied Credits) that was effective on the bill period end date of the cancelled bill will be applicable for the rebill, including former Satellites of CDG Host.
- ii. If a Satellite is issued a cancel rebill, the CDG Savings Rate that was effective on the bill period end date of the cancelled bill will be applicable for the rebill.

7. Taxes

- i. The Company is not responsible for assessing or collecting any taxes on payments made to the CDG Host.
- ii. CDG Hosts have the obligation of remitting any applicable taxes on subscription fees to the appropriate federal, state, or local taxing authority.
- iii. The Company will not report CDG Host payments under Net Crediting to the Internal Revenue Service as income and no Form 1099's will be issued to CDG Host payments.

8. If the Company declares a Force Majeure event, the timelines and processes outlined in this Procedure may be impacted.

8. TRACK CHANGES

This section is used to track changes to this document. Effective Date (MM/DD/YYYY)	Revision Title	Revision Description
9/1/16	Original Document	Original Document Effective
9/1/23	Updates resulting from Commission Orders and Tariff revisions, plus additional housekeeping items	-Added Track Changes section -Combined separate NYESG and RG&E NEM/Volumetric Procedural Requirements into one document -Added process for Host to default rejected allocations to Host allocation -Added exceptions regarding 10 minimum satellites -Updates to annual/banked allocation process -Added allocation and applied credits section
4/1/26	<u>Updates to add Net Crediting.</u>	<u>Program details and progress guidelines for Net Crediting added.</u> <u>Appendix E – Appendix I added</u>

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Appendices

Appendix A – CDG Host Information Form

Please email all inquiries & documents pertaining to CDG to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com.

Account Name: _____

Account Number (if already assigned): _____

What is the proposed main breaker size?

☐ 100 amp ☐ 200 amp ☐ 400 amp ☐ Other ☐ Don't know

Character of Service

- ☐ 1 phase, 3 wire, 120/240V
- ☐ 1 phase, 3 wire Y, 120/208V
- ☐ 3 phase, 4 wire Y, 120/208V
- ☐ 3 phase, 4 wire delta, 120/240V
- ☐ 3 phase, 4 wire Y 277/480V

Service Address: _____

Street: _____

City: _____ Zip: _____

NYSEG/RG&E Project File Number- _____

Requested Interconnection Date: _____

Size (kW AC): _____

Non-Residential Generation Type (check one):

- ☐ Solar electric generating equipment with a rated capacity less than or equal to 2,000 kW
- ☐ Wind electric generating equipment with a rated capacity less than or equal to 2,000 kW
- ☐ Micro-hydroelectric electric generating equipment with a rated capacity less than or equal to 2,000 kW
- ☐ Fuel cell electric generating equipment with a rated capacity less than or equal to 2,000 kW
- ☐ Farm waste electric generating equipment with a rated capacity less than or equal to 1,000 kW

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Appendix B – CDG Host Certification

Check One:

☐ Initial CDG Certification

☐ Annual CDG Host Certification

☐ I certify that this CDG application meets all terms and conditions of NYSEG P.S.C. No. 119 and P.S.C. No. 120 and RG&E P.S.C No 19 scheduled for Electric Service Rate Information and requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082 and Case 15-M-0180, as they may be amended or superseded from time to time.

☐ I certify that the CDG Host is a non-residential customer who owns or operates electric generating equipment eligible for net metering under Public Service Law, section 66-j or 66-l and whose net energy produced by its generating equipment is applied to accounts of other electric customers (“CDG Satellites”) with which it has a contractual arrangement related to the disposition of net metering credits.

☐ I certify that the CDG Host has a contract in writing with each of their satellite customers for a portion of the excess generation accumulated at the meter of the CDG Host and ensures all CDG Satellites meet participation requirements.

☐ I certify that the Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellites, including contractual terms, pricing, dispute resolution and contract term.

☐ I certify that the CDG Host is certifying in writing to the Company, both prior to commencing net metered service under CDG and annually thereafter, that it has met all requirements established and is in compliance with all applicable laws and meets the terms of the Confidentiality Agreement and Data Security Rider.

☐ I certify that the CDG Satellite Accounts with demands of 25kW or greater listed with this application receive, in aggregate, no more than 40 percent of the generator’s output.

☐ I certify that each Satellite allocation distribution percentage must amount to at least 1,000 kWh annually but may not exceed the CDG Satellite Account’s historic average annual kWh usage (or forecast usage if historic data is not available).

☐ I certify that all CDG Satellite Accounts, whether submitted with the initial application or subsequently, are in the same NYISO Load Zone as the CDG Host.

☐ I certify that the sponsor (CDG Host) of this project meets all criteria outlined and agreed upon between the Parties in the Procedural Requirement document as may be revised, modified, amended, clarified, supplemented, or superseded from time to time.

☐ I certify that the sponsor of this project (CDG Host) will satisfy all obligations assumed with respect to project members (CDG Satellites).

☐ To the best of my knowledge, the information provided herein is accurate and no attempt has been made to misrepresent the facts.

☐ I will re-submit these certifications to NYSEG or RG&E on an annual basis.

CDG Host Name: _____

Name of Applicant: _____

Signature: _____

Date: _____

Telephone: _____

Email: _____

Affiliation to person responsible for account: (Check One)

☐ Owner

☐ Partner

☐ Agent (Attach Appendix D – Agent Authorization Form)

☐ Corporate Officer

☐ Other - specify: _____

Appendix C – Data Exchange Protocols

The Parties shall follow the process outlined in Section 6 above to exchange data. Data shall be exchanged using the following email addresses:

NYSEG: NYSEG_CDG@nyseg.com

RGE: RGE_CDG@rge.com

CDG HOST EMAIL: _____

CDG Host Email as completed in Appendix A - CDG Host Information Form

*Data exchange file nomenclature includes a Host ID assigned by the Company and provided in the “Company Use Only” section CDG Host Information Form

Initial, Subsequent and Banked Allocation Requests

File Format:

The CDG Host shall request initial and subsequent allocations using the following form:

- a. NYSEG_RG&E CNM Allocation Request Form.xlsx

Inbound File:

The CDG Host shall submit Allocation Requests to the Company pursuant to Section 5 above.

File Naming Conventions:

The CDG Host shall submit allocation requests using the applicable nomenclature:

- a. Initial Request: Host ID_In Req_YYYYMMDD.xlsx⁶
- b. Subsequent Request: Host ID_Sub Req_YYYYMMSS.xlsx
- c. Banked Request: Host ID_Bank_Req_YYYYMMDD.xlsx

Example Initial/Subsequent Allocation Request:

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⁶ Host ID will be limited to the first 7 characters of Host Name followed by assigned three-digit sequence. This information will be provided in the initial email sent with files attached.

**Community Distributed Generation (CDG)
Volumetric Allocation Request Form**
8/17/2023

Host Information: Please fill in

Utility Company: NYSEG

CDG Host Account #: 1000000001

Host ID: 9812345678

Service Address: 123 Main St

City, State Zip Code: Albany, NY 12242

Mailing Address: 456 Elm St

Apply Rejected Satellite Allocations to Host: Yes

Contact Name: CDG Host Representative

E-mail Address (coversheets will be sent here): cdg@nyseg.com

Phone #: 518-456-7890

Which Allocation request is this for:

Check One: ☒ Initial Allocation Request: must be submitted at least 60 days prior to the CDG Host Account commencing service under the CDG Program. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.

☐ Subsequent Allocation Request: must be submitted no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.

☐ Banked Allocation: If less than 100% allocated the remaining percentage will be the Host's Banked Monetary Credits. The Host can allocate any percentage of the banked credits to any subscriber to be applied to the next bill period. Banked credits will remain on the Host's account until they are used up or the host has reached their 2 year limitation.

Satellite allocation information

To be filled in by host				To be filled in by utility			
ID	Account Number	Account Name	Allocation % (100.000000)	RIF Cycle	Service Class	With an ESCO	Satellite Validation
Host Allocation	1000000001	CDG HOST	10.1234%				
1	1000000002	John Smith	0.1234%	RI/A	RI/A	RI/A	
2	1000000003	Jane Doe	0.1234%	RI/A	RI/A	RI/A	
				RI/A	RI/A	RI/A	
				RI/A	RI/A	RI/A	

Net Crediting Initial, Subsequent and Banked Allocation Requests

File Format:

The CDG Host shall request initial and subsequent allocations using the following form:

a. a- NYSEG_RG&E Net Crediting Volumetric Allocation Request Form.xlsx

Inbound File:

The CDG Host shall submit Allocation Requests to the Company pursuant to Section 5 above.

File Naming Conventions:

The CDG Host shall submit allocation requests using the applicable nomenclature:

- Initial Request: _____ Host ID_In Req_YYYYMMDD.xlsx
- Subsequent Request: Host ID_Sub Req_YYYYMMSS.xlsx
- Banked Request: _____ Host ID_Bank Req_YYYYMMDD.xlsx

Example Initial/Subsequent Net Crediting Allocation Request:

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**Community Distributed Generation (CDG)
Net Crediting Volumetric Allocation Request Form**

Host Information: Please fill in:

Utility Company: NYSEG

CDG Host Account #: _____ Mailing Address: _____ Contact Name: _____
 CDG Account Name: _____ E-mail Address (coversheets will be sent here): _____
 Service Address: _____ Phone #: _____
 City, State Zip Code: _____ Apply Rejected Satellite Allocations to Host: ☐

Net Crediting

Savings Rate: 5% Excluded Anchor Customers: _____

Which Allocation request is this for:

Check One: ☐ Initial Allocation Request: must be submitted at least 60 days prior to the CDG Host Account commencing service under the CDG Program. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.
☐ Subsequent Allocation Request: must be submitted no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.
☐ Banked Allocation: If less than 100% allocated the remaining percentage will be the Host's Banked Monetary Credits. The Host can allocate any percentage of the banked credits to any subscriber to be applied to the next bill period. Banked credits will remain on the host's account until they are used up or the host has reached their 3 year limitation.

Satellite allocation Information

To be filled in by Host				To be filled in by Utility			
ID	Account Number	Account Name	Allocation %	CDG Savings Rate	Bill Cycle	Service Class	With an ESCO
Host Allocation							
Anchor Customers							
1					BN/A	BN/A	BN/A
2					BN/A	BN/A	BN/A
3					BN/A	BN/A	BN/A
4					BN/A	BN/A	BN/A

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Outbound File:

The Company shall complete the Utility sections of the allocation request form. Completed requests shall be provided to the CDG Host pursuant to Section 5.

File Naming Convention:

The Company shall provide completed allocation requests using the following nomenclature:

Outbound Accepted

- Initial Request: Host ID _In Req_Accept_YYYYMMDD.xlsx⁷
- Subsequent Request: Host ID _999_Sub Req_Accept_YYYYMMDD.xlsx
- Banked Request: Host ID _999_Bank Req_Accept_YYYYMMDD.xlsx

Outbound Rejected

- Initial Request: Host ID _999_In Req_Reject_YYYYMMDD.xlsx
- Subsequent Request: Host ID _999_Sub Req_Reject_YYYYMMDD.xlsx
- Banked Request: Host ID _999_Bank Req_Reject_YYYYMMDD.xlsx

Validation:

As described in Section 5 paragraphs A, B and C, the Company shall review the submitted application and either accept or deny the request. The Company shall provide error messages for the accounts that are found to be invalid.

- Review Process:
If the CDG Host information fails validation the request will be rejected, and validation will not be performed on the Satellite accounts.

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⁷ Host ID will be limited to the first 7 characters of Host Name followed by assigned three-digit sequence. This information will be provided in the initial email sent with files attached.

Rejected files will include rejection reason codes, for example:

- a. Rejected – Host Validation
 - i. “Account not active”
 - ii. “Account not found”
 - iii. “Account not eligible”
 - iv. “Allocation not equal to 100%”
- b. Rejected – Satellite Validation
 - i. “Invalid – Account Moved Out”
 - ii. “Invalid – Invalid Account Number”
 - iii. “Invalid – Account with Another Host”
 - iv. “Invalid – Zone mismatch”
 - v. “Invalid – Account has Net Metered Service”

Example Satellite Validation:

Satellite allocation Information							
To be filled in by Host				To be filled in by Utility			
ID	Account Number	Account Name	Allocation %	Bill Cycle	Service Class	With an ESCO	Satellite Validation
Host Allocation	10000000001	CDG HOST	100.0000%				
1	10000000002	John Smith	13.195%	84	1	NED0100D00	Valid
2	10000000003	Jane Doe	0.166%	24	8	NED0800E00	Invalid - Account with Another Host
				10	1	NED0100D00	Invalid - Account Moved Out

Appendix D – Agent Authorization

(To be completed by the host for any agent expected to receive or provide account information.)

I _____, authorize my agent
Print Host Name

_____ to act on my behalf on all matters pertaining to the
Print Agent Name & Agent Company Name

management of the _____ Community Distributed Generation project located
Size in KW

at _____ .
Address of Host Account, City, NY, Zip code

If you have any questions, I can be reached at _____ .
Phone #

Sincerely,

_____ Date _____

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Appendix E – Net Crediting Agreement

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located on website: [CDG Net Crediting Service Agreement - NYSEG](#) or [CDG Net Crediting Service Agreement - RG&E](#)

Community Distributed Generation Net Crediting Agreement for [_____]

This Agreement ("Agreement") is made this _____ day of _____, 20____.
Between New York State Electric and Gas (NYSEG) and Rochester Gas and Electric (RGE), a New
York Domestic Business Corporation with a principal place of business at 18 Link Dr. Binghamton, NY
13904 and

_____, a community distributed
generation ("CDG") sponsor (the "CDG Sponsor" or "Sponsor"), a [state]_____ [type of legal
entity]_____ with a principal place of business at
_____. The Utility and the CDG
Sponsor are also individually referred to herein as a "Party" or collectively as "Parties."

Whereas, the New York State Public Service Commission ("Commission") first authorized
CDG in its July 17, 2015 Order Establishing a Community Distributed Generation Program and
Making Other Findings in Case 15-E-0082 to enable a broader community participation in
renewable programs;

Whereas, the Commission subsequently issued its March 9, 2017 *Order on Net Metering
Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* ("VDER
Transition Order") in Case 15-E-0751 which in part provided for modifications to the
compensation of Distributed Energy Resources ("DERs") by creating the Value Stack
compensation mechanism for eligible DERs, including CDG projects;

Appendix F – Net Crediting Consent Form



Part of the Avangrid family

CDG Net Crediting Consent Form

Check One: ☐ Enroll ☐ Unenroll

Company: ☐ NYSEG ☐ RG&E

Project ID:

CDG Host Name:

CDG Host Account #:

Savings Rate: % Excluded Anchor Customer Account #, if any:

Initial bill message, if any*:

**Note: Not applicable to Volumetric Net Crediting. Value Stack bill message will be available after automation*

Net Crediting Checklist

The CDG Host shall review and complete all documents listed below. Please submit documents via encrypted email to NYSEG_CDG@NYSEG.com or RGE_CDG@RGE.com. The Company will notify the CDG Host via email upon receipt of all completed enrollment documents.

- ☐ Appendix E: CDG Net Crediting Service Agreement
- ☐ Appendix F: CDG Net Crediting Consent Form
- ☐ Appendix G: W9 Form
- ☐ Appendix H: Vendor Creation Modification Form
- ☐ Appendix I: ACH Authorization Form
- ☐ Supporting bank document (Voided check, bank signed letterhead, or vendor signed letterhead)
- ☐ Business Classification Form

Appendix G – W9 Form

Host must request form via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com

➤ Contact Person:

Name:			
E-mail ⁽¹⁾ :		Phone:	

➤ Payment Remittance Address (ALL fields are required):

Name:			Tax ID:		
DBA:			Country:		
Address:					
City:		State:		Zip +4:	
E-mail:			Phone:		

➤ Purchase Order Address (only if different from the Remittance Address):

Address:			Country:		
City:		State:		Zip +4:	
E-mail:			Phone:		

➤ Required documentation for vendor registration or address modification:

- Copy of W9 (US Vendor) / W8 (Foreign Vendor) form.
- Business Classification form.

Description of goods or services to be provided:

If non-US vendor, please indicate if services will be on US soil: Yes ☐ No ☐

Bank details: Bank detail updates must be processed through Minfo. Once a vendor # has been assigned, an email will be delivered with complete details.

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Appendix I – ACH Authorization Form

Host must request form via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com

For secure account verification voided check is required or a signed bank or company letterhead

Vendor/Supplier number:		Last 4 digits of Tax ID Number:	
Vendor Name:			
Mailing Address:			
City:	State:	Zip:	
Bank Name:	Bank City/State:		
Type of Account (check one):	Savings:	Checking:	
ABA Routing Number:	Account Number:		
Email address to email ACH payment advice:			

Note: all ACH payment advices will be sent via email. A paper remittance will not be mailed.

Requirements of the Voided Check:

The voided check must meet the following requirements to be accepted by the Company.

- "Void" must be printed across the check
- The name on the voided check must match the Vendor Name on the ACH form.
- The bank routing and account number must match the ACH form.
- Blank check attachments or deposit slips will not be accepted in lieu of a voided check.

Requirements of the Bank Letter:

The bank letter must meet the following requirements to be considered complete. Incomplete bank letters will not be accepted by the Company.

- Must be on the bank's letterhead.
- Must include the name of the name of the payee (the name of the bank account holder) and must match the Vendor Name on the ACH form.
- Must include the payee's routing and bank account number and must match the ACH form.
- Must be signed and dated by the officer of the bank.

Requirements of the Vendor (CDG Host) Letter:

The Vendor letter must meet the following requirements to be considered complete. Incomplete bank letters will not be accepted by the Company.

- Must be on the Vendor's letterhead.
- Must include the name of the name of the payee (the name of the bank account holder) and must match the Vendor Name on the ACH form.
- Must include the Bank Name.
- Must include the payee's routing and bank account number and must match the ACH form.
- Must be signed and dated by the officer of the Vendor.

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Orange and Rockland Utilities, Inc.
One Blue Hill Plaza
Pearl River, New York 10965

Community Distributed Generation
Net Crediting Manual

Version 2, Filed (TBD)

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Appendix A Enrollment Documentation

Appendix B CDG Host Certification Form

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V 2.0	Several	Update verbiage to cover CDG-Volumetric Net Crediting	8/13/2023

Net Crediting Manual for CDG Projects

1. Introduction

On July 17, 2015, the Public Service Commission (“PSC” or “Commission”) issued its *Order Establishing a Community Distributed Generation Program and Making Other Findings* in Case 15-E-0082 (“Community Distributed Generation Order” or “CDG Order”) under which the policies, requirements and conditions for implementing Community Net Metering were established, hereinafter referred to as CDG. Subsequently, on March 9, 2017, the Commission issued its *Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* in Case 15-E-0751 (“Value of Distributed Energy Resource Order” or “VDER Order”) in which the policies, requirements, and conditions for CDG were updated to reflect a transition away from net metering. On October 19, 2017, the Commission issued its *Order Establishing Oversight Framework and Uniform Business Practices for Distributed Energy Resource Suppliers* in Case 15-M-0180 which establishes Uniform Business Practices (“UBP- DERS”) for oversight of distributed energy resources suppliers (“DERS” or “DER suppliers”) and a more specific and detailed set of provisions for CDG providers. Finally, on September 12, 2018, the Commission issued its *Order on Value Stack Eligibility Expansion and Other Matters* (“Expansion Order”), which enabled more generator technology types to be CDG Hosts.

On December 12, 2019, the PSC issued its Order Regarding Consolidated Billing for Community Distributed Generation in Case 19-M-0463 (“Net Crediting Order”) which established the policies, requirements and conditions to implement Net Crediting. The terms of service for CDG that resulted from the VDER Order, the Expansion Order, and the Net Crediting Order are set forth in the Company’s Schedule for Electricity, P.S.C. No. 3 (“Tariff”) under Rider N, Net Metering and Value Stack Tariff for Customer Generators (“Value Stack Tariff”).

This Net Crediting Procedural Manual (“Manual”) sets forth Orange and Rockland Utilities, Inc.’s (“O&R” or the “Company”) procedural requirements for CDG providers that wish to participate in Net Crediting, consistent with the requirements outlined in the Order(s) noted above, the UBP-DERS, and the Tariff. Additional procedural requirements for CDG providers can be found in *O&R’s Community Distributed Generation Procedural Requirements For Customers Eligible for the Value Stack Tariff and Compensation* (“CDG Procedures”).

Typically, a CDG project involves the following three parties: the CDG Host; CDG Satellites (also referred to as Subscribers); and the Company. A CDG Host is the project sponsor and is responsible for owning or operating the generation facility, coordinating the project’s interconnection and operation, and supervising and fostering cooperation among the CDG Satellites. CDG Satellites are the project subscribers who will own or contract for a proportion of the credits accumulated at the generation facility’s meter, as a percentage of the facility’s output in excess of usage on the CDG Host’s account. The Company is responsible for distributing the

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credits from the CDG Host's account to CDG Satellites, in accordance with the CDG Host's instructions and Rider N of the Orange & Rockland's Electric Tariff.

CDG Hosts may enroll in the Net Crediting Program, under which the Company will apply the savings rate provided by the CDG Host to all of the CDG Satellites in the project (excluding any Anchor Satellite) resulting in a net credit being applied to the CDG Satellites' electric bills. The Company will remit payment to the CDG Host, on behalf of the CDG Satellites, equal to the CDG Subscription Fees less the Utility Administrative Fee owed by the CDG Host to the Company.

The Company may modify its Net Crediting procedures as needed based on experience or as required by the PSC, including modification of the UBP-DERS. In the event of any inconsistency between the Tariff or any PSC order and this Manual, the Tariff and/or PSC orders will govern.

2. Definitions

The capitalized terms included in this Manual shall have the meanings set forth below.

Allocated Credit: The credit allocated by the CDG Host for its net hourly injected energy during the CDG Host's billing period to a CDG Satellite.

Applied Credit: Equal to the portion of the Total Available Credit, that offsets the CDG Satellite's electric service bill from the Company each billing period. A CDG Satellite's applied credit cannot exceed the amount of a CDG Satellite's electric service bill from the Company during an individual billing period. The Company shall use the Applied Credit as the basis to determine the CDG Subscription Fee.

Anchor Satellite: For purposes of this Manual, a CDG Satellite that is demand billed by the Company and has a demand of 25 kW or greater in the previous 12 months and is designated by the CDG Host to be excluded from Net Crediting Program. The Anchor Satellite is known as the Excluded Anchor Customer in the Community Distributed Generation Net Crediting Agreement.

CDG Allocation Request: The CDG Host's instruction to the Company as to the disposition of Allocated Credit or Host Bank Allocated Credit.

CDG Host: A non-residential customer that owns or operates electric generating equipment eligible to be compensated under Rider N and whose net energy produced by its generating equipment is applied to the accounts of the CDG Satellites. A CDG Host is also commonly referred to as a CDG Sponsor or CDG Provider.

CDG Host Payment: The payment from the Company to the CDG Host representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Company.

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CDG Satellite: An O&R electric distribution customer who is allocated credits from its CDG Host. A CDG Satellite is also commonly referred to as a CDG Subscriber.

CDG Savings Rate: The rate used to calculate the value of the CDG Project's monthly credits that will be provided by the Utility to CDG Satellites' electric utility accounts, allocated as directed by the CDG Sponsor, where such rate shall not be less than five percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Anchor Satellite, if applicable.

CDG Subscription Fee: The amount of the Applied Credit withheld from the CDG Satellite's electric monthly bill, representing the amount owed to the Host by the Satellite.

Enrollment Period: A 60-day period that begins once the Company receives the completed Enrollment documentation.

Host Bank Allocated Credit: The credit allocated by the CDG Host from the CDG Host's Bank.

Net Crediting Program: A voluntary program offered by the Company to CDG Hosts. The Net Crediting Program authorizes the Company to remit payments to the CDG Host on behalf of CDG Satellites, resulting in a net credit applied to the CDG Satellite's O&R electric bill.

Non-residential Customer: For purposes of this Manual, a customer billed by the Company under a Service Classification ("SC") other than SC 1 or SC 19.

Total Available Credit: The credit available to offset a CDG Satellite's bill. The Total Available Credit is the sum of the Allocated Credit, Host Bank Allocated Credit (if any), and any remaining credit from the preceding billing month that was carried forward to the current billing period.

Utility Administrative Fee: The amount paid by the CDG Host to the Company for participation in the Net Crediting Program. The rate used to calculate the Utility Administrative Fee is currently set at one percent by the Net Crediting Order and will be available in the Company's tariffed statements.

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3. Enrollment Process:

- 3.1. The CDG Host must comply with the CDG Procedures, except where modified under this Net Crediting Manual.
- 3.2. The CDG Host shall submit the following required enrollment documentation to the Company:
 - 3.2.1 Cover sheet/Enrollment Checklist;
 - 3.2.2 Net Crediting Agreement;
 - 3.2.3 CDG Host Certification Form;
 - 3.2.4 Payment documentation, including Automated Clearinghouse (“ACH”) form, IRS Form W-9, and Bank Letter; and
 - 3.2.5 Community Distributed Generation (CDG) Allocation Request Form (“Allocation Form”).
- 3.3. The enrollment documentation is attached hereto as Appendices A, B, C and D.
- 3.4. The enrollment documentation shall be submitted to the Company via upload to the Company’s interconnection online portal, PowerClerk. A 60-day Enrollment Period will begin once all completed forms are received by the Company.
- 3.5. Existing projects that apply for Net Crediting shall submit to the Company all the enrollment documentation listed above, including an updated CDG Host Certification Form and Allocation Form.
- 3.6. During the Enrollment Period the Company will review the submitted enrollment documentation.
- 3.7. After approval of the submitted documentation and the Enrollment Period ends, Net Crediting will be effective on the CDG Host’s subsequent billing date in accordance with Rider N of the Orange & Rockland’s Electric Tariff.
- 3.8. The CDG Host shall execute the Net Crediting Agreement and submit the same to O&R for execution.
- 3.9. By submitting a CDG Allocation Request, the CDG Host shall certify that the CDG Host has entered into written contracts with each of its CDG Satellites acknowledging that each CDG Satellite will receive net credits pursuant to the Net Crediting Program.

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4. Initial CDG Allocation Request:

- 4.1. The CDG Host shall complete and submit an initial allocation request using the Allocation Form included in Appendix C. The CDG Host shall comply with the CDG Procedures when completing this form, along with the additional requirements below.
- 4.2. Initial allocation requests must be received by the Company via PowerClerk as part of the enrollment documentation, minimum of 60 days before commencing service as a CDG project. The CDG Host shall designate in its initial application for CDG service, the CDG Host account, the CDG Satellite accounts that will receive credits under the CDG Program, the allocation percentages, the initial Savings Rate, and the Anchor Satellite, if any (subject to Sections 6 and 7 below). O&R will notify the CDG Host when submission of a complete and accurate initial allocation request has been accepted by the Company.
- 4.3. The Company shall use the initial CDG Allocation Request for disposition of a CDG Host's Allocation Credit until such time that a subsequent CDG Allocation Request is effective.

5. Subsequent CDG Allocation Request:

- 5.1. To modify a CDG Allocation Request, the CDG Host shall complete and submit an updated Allocation Form included in Appendix C. The CDG Host shall comply with the CDG Procedures when completing this form, along with the additional requirements below.
- 5.2. In an updated Allocation Form, the CDG Host may modify: (1) the CDG Satellite accounts; and/or (2) the percentage allocated to one or more of its CDG Satellite accounts; and/or (3) the Anchor Satellite. Updates may be submitted once per CDG Host billing cycle by giving notice to the Company no less than 45 days before the CDG Host account's cycle billing date to which the modifications apply.
- 5.3. The CDG Host may modify its CDG Savings Rate once every six months by giving notice to the Company no less than 45 days before the CDG Host account's cycle billing date to which the modifications apply. See Sections 6 and 7 below for details on the CDG Savings Rate and Anchor Satellite.
- 5.4. CDG Allocation requests will be effective with the first full CDG Host billing period that commences at least 30 days after the Company's receipt of an accepted Allocation Form.

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6. CDG Savings Rate

- 6.1. The CDG Host shall complete and sign the Allocation Form and indicate the amount of the CDG Savings Rate.
- 6.2. The CDG Host may update the CDG Savings Rate six months from the effective date of the initial CDG Savings Rate or six months from the effective date of any subsequent change.
- 6.3. The CDG Savings Rate shall not be less than five percent, not to exceed two decimal points (*e.g.*, 5% will be shown as 0.05).
- 6.4. The sum of the CDG Savings Rate and the rate of the Utility Administrative Fee may not exceed 100 percent.
- 6.5. The Company shall use the same CDG Savings Rate for all CDG Satellites subscribed to the CDG Host's project, except for the Anchor Satellite, if applicable.

7. Anchor Satellite

- 7.1. The CDG Host shall complete and sign the Allocation Form and indicate the Anchor Satellite, if applicable.
- 7.2. The CDG Host may modify the Anchor Satellite once per CDG Host billing cycle by submitting an updated Allocation Form to the Company no less than 45 days before the CDG Host account's cycle billing date to which the modifications apply.
- 7.3. Only one Anchor Satellite may be excluded from the Net Crediting Program per CDG Project, at any given time.

8. Calculation of Credit, CDG Satellite Payment, and Utility Administrative Fee

- 8.1. The CDG Savings Rate applied to a CDG Satellite's bill will be the rate in effect on the CDG Satellite's bill period end date, regardless of the savings rate in effect during the billing period for which the underlying credit was allocated by the CDG Host.
- 8.2. A CDG Satellite's Allocated Credit will be calculated each CDG Host billing period as per Rider N of the Orange & Rockland's Electric Tariff.
- 8.3. A CDG Satellite's Applied Credit will be calculated based on the portion of the Total Available Credit that offsets the CDG Satellite's electric bill each billing period.

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8.4. A CDG Subscription Fee will be calculated based on a CDG Satellite's Applied Credit each billing period. The CDG Subscription Fee is equal to the amount of the Applied Credit multiplied by a percentage equal to one minus the CDG Savings Rate.

8.5. When a CDG Satellite is billed, the Company shall apply a net credit to the CDG Satellite's electric charges equal to the Applied Credit less the CDG Subscription Fee.

For example, a CDG Satellite has a Total Available Credit of \$100. The CDG Satellite's electric bill charges are \$90. The Applied Credit is \$90 and \$10 is carried over to the CDG Satellite's subsequent billing period. Using a Savings Rate of five percent, the CDG Subscriber Fee is \$85.50 (*i.e.*, $\$90 \times (1 - .05) = \$85.50$).

8.6. The Utility Administrative Fee is equal to the Applied Credit multiplied by one percent.

Using the above example, the Utility Administrative Fee is \$0.90 (*i.e.*, \$90 Applied Credit multiplied by the one percent Utility Administrative Fee).

8.7. If the CDG Host identifies an Anchor Satellite, the Company will not apply any CDG Subscription Fee to the Anchor Satellite's portion of the Applied Credit.

8.8. For the first billing cycle to which Net Crediting is applicable and all subsequent billing cycles, the CDG Savings Rate will be applied to any credit carryover and Host Bank Allocation applied to the CDG Satellite's bill that month. This includes any credit carryover and Host Bank allocation that existed on the CDG Satellite's account prior to the Project's participation in the Net Crediting program.

8.9. The Company shall provide to the CDG Host each month the CDG Detail Report which contains CDG Satellite level account details.

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9. Payment to CDG Host

- 9.1. The CDG Host shall pay O&R the Utility Administrative Fee on a monthly basis.
- 9.2. The Company's payment to the CDG Host will include all CDG Subscription Fees net of the Utility Administrative Fees that were withheld from CDG Satellites that billed during the CDG Host's billing cycle.
- 9.3. O&R shall remit payment to the CDG Host on a monthly basis. Payment shall be via ACH and within 30 days from the CDG Host account's cycle billing date.
- 9.4. Using the example set forth in Section 8.5 above:

A CDG Host has a cycle billing date of February 10 for the bill cycle of January 10 to February 9. The payment will include all CDG Satellite payments net of Utility Administrative Fees that were withheld from January 10 through February 8. The Company will pay the CDG Host by March 11.

The amount remitted by the Company to the CDG Host is \$84.60 (\$85.50 less \$0.90).

- 9.5. O&R must receive changes to banking information at least 60 days prior to the CDG Host account's cycle billing date on which the banking information will become effective.
- 9.6. The Company shall provide payment details to the CDG Host related to each CDG Satellite on the monthly CDG Detail Report.

10. CDG Host Unenrollment from Net Crediting Program

- 10.1. To unenroll from the Net Crediting Program, a CDG Host must complete and submit an updated CDG Host Certification Form.
- 10.2. The effective date of the unenrollment will be the CDG Host account's cycle billing date that begins at least 45 days after submission of the request.

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11. CDG Host Re-enrollment in the Net Crediting Program

- 11.1. The CDG Hosts can re-enroll in the Net Crediting program 12 months from the effective date of unenrollment.
- 11.2. The CDG Host must complete the entire Enrollment Process as set forth in Section 3 above.

12. CDG Satellite Drops from CDG Project

- 12.1. After the Company renders a final bill for any customer receiving credits, any remaining credit will not be cashed out, refunded, or transferred in accordance with Rider N of Orange & Rockland's Electric Tariff.
- 12.2. A CDG Satellite that is no longer participating in a Net Credited CDG Project shall receive the full value of the Applied Credit without netting of any CDG Subscription Fee.
- 12.3. A CDG Satellite with excess credit carryover cannot enroll in a new CDG project until the remaining carryover is transferred back to the original CDG Host.
- 12.4. The Company shall notify the CDG Host of a CDG Satellite account closure via the subsequent CDG Detail Report.

13. CDG Host/Project Change of Ownership

- 13.1. The CDG Host shall notify O&R of any change of ownership of the CDG project or the CDG Host entity at least 60 days prior to the effective date of the change.
- 13.2. The new owner will execute and submit all required payment documents listed in the enrollment documentation pursuant to Section 3 above, at least 60 days prior to their effective date. The CDG Host will also provide the Company with the required documentation for the changes as set forth in the Net Crediting Agreement.

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14. CDG Satellite Inquiries

- 14.1 The Company shall be responsible for resolving utility billing-related CDG Satellite inquiries and complaints. In the case of CDG Satellite inquiries to the Company related to the CDG Host, the Company will promptly provide CDG Satellites with the CDG Host's contact information.

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Appendix A

Net Crediting Enrollment Form/Application Checklist

Project ID (assigned by O&R): _____

Project Name: _____

Address: _____

Project O&R Account Number (if available): _____

Contact Name, Phone Number and Email Address for questions: _____

The CDG Host shall submit the following documents along with this checklist to the Company in the manner indicated. Once the Company receives all completed forms, the 60 day Enrollment Period will begin. The Company will notify the CDG Host via email upon receipt of all completed enrollment documents.

1. Checklist – upload to PowerClerk
2. Net Crediting Agreement – sign and date; then upload to PowerClerk
3. CDG Host Certification Form – upload to PowerClerk
4. CDG Subscriber Allocation Request – complete, sign and date; then upload to PowerClerk
5. Payment information – complete and upload to PowerClerk
 - a. Automated Clearinghouse form
 - b. IRS Form W-9
 - c. Bank Letter

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CDG Host Certification Form

Please check all applicable boxes:

	Initial CDG Host Certification
	Annual CDG Host Certification
	Enrollment in Net Crediting Program
	Unenrollment from Net Crediting Program

CDG Satellite Account Information

The CDG Host shall designate at least ten CDG Satellite Accounts with this initial application, all located in Orange and Rockland Utilities, Inc.'s (the "Company") service territory. No CDG Satellite shall have on-site generation or receive credits from another net-metered or Value Stack Host account. The CDG Host shall provide this list of CDG Satellite Accounts to the Company at least 60 days before the Company issues the first CDG bill. The CDG Host shall submit this information to the Company via the form included in Appendix C.

CDG Host Certification

CDG Hosts must complete all sections.

Section A.

☐ I certify that this CDG application meets all terms and conditions of Rider N and requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082, Case 15-M-0180 and Case 15-E-0751, as they may be amended or superseded from time to time.

☐ I certify that the demand billed CDG Satellite Accounts with demands of 25kW or greater listed with this application receive, in aggregate, no more than 40 percent of the generator's output.

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☐ I certify that each CDG Satellite Account is receiving at least 1,000 kWh annual but is not receiving credits in excess of the CDG Satellite Account's historic average annual kWh usage (or forecast usage if historic data is not available).

☐ I certify that all CDG Satellite Accounts, whether submitted with this application or subsequently, are all located within the Company's service territory.

☐ I certify that the sponsor of this CDG project meets creditworthiness standards as described in the October 16, 2015 Order in Case 15-E-0082, as they may be amended or superseded from time to time.

☐ I certify that the sponsor of this project will satisfy all obligations assumed with respect to Satellite Account owners (project members).

☐ I will re-submit these certifications to the Company on an annual basis.

Section B. Enrollment in the Net Crediting Program

If not enrolling in the Net Credit Program check ☐ Not Applicable

☐ I certify that this CDG application meets all terms and conditions of Rider N and requirements of the PSC that are adopted pursuant to its Order issued in Case 19-M-0463, as they may be amended or superseded from time to time.

☐ I certify that I have notified all CDG Satellites that the CDG project is participating in the Net Crediting program.

☐ I certify that I have notified all CDG Satellites of the Savings Rate submitted to the Company for use in the Net Crediting program, and that the Savings Rate will not be reduced without the affirmative consent of all affected CDG subscribers.

☐ I certify that the Anchor Satellite is a non-residential, demand billed customer with a demand of 25 kW or greater in the prior 12 months of submission to the Company of the Anchor Satellite's information.

☐ I certify that the Anchor Satellite has agreed to receive the full credit without reduction for any CDG Subscription Fee.

Section C. Unenrollment from Net Crediting program.

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If not Unenrolling in the Net Credit Program check ☐ Not Applicable

☐ I certify that I have notified all CDG Satellites that the CDG project is unenrolling from the Net Crediting Program.

☐ I certify that I acknowledge that the CDG project cannot enroll in the Net Crediting Program for 12 months from the effective date of the unenrollment.

Section D: Signature of Authorized Representative of CDG Host

☐ To the best of my knowledge the information provided herein is accurate and no attempt has been made to misrepresent the facts.

Name of CDG Host (Please print) _____

CDG Host Utility Account Number _____

Signature _____

Date _____

Telephone _____

Email _____

Affiliation to person responsible for account (Check one)

☐ Owner ☐ Partner ☐ Agent [Attach documentation of authorization by Principal]

☐ Corporate Officer ☐ Other (specify) _____

Completed form should be uploaded to PowerClerk

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Community Distributed Generation (CDG) Allocation Request Form



Value Stack Community Distributed Generation (CDG) Allocation Request Form

August 4, 2020

SECTION I - Host Information				
CDG Host Account:	11111-11111	Account Name:	Customer One	
Service Address:	Name Company Address City, State ZIP Code	Mailing Address:	Name Company Address City, State ZIP Code	
Customer Contact:	First Name Last Name	Phone:	999-999-9999	
e-mail address	emailaddress@unknown.com		Project Number:	

SECTION II - Member Allocation Information	
Select One (place X to select)	Initial Allocation Request: must be submitted at least 60 days prior to the CDG Host Account commencing service under the Value Stack CDG Program.
	Subsequent Allocation Request: must be submitted no less than 30 days before the CDG Host Account's cycle billing date to which the modifications apply.
	Request for Allocation of CDG Host Banked Credits: is effective for a one-time allocation only and will be executed on the CDG Host's next bill, no earlier than 15 days after receipt of this form. The most recent Initial Allocation Request or Subsequent Allocation Request , as applicable, will continue to apply to all on-going allocations.
	No Change: to be selected if there is no change to the member allocation information when submitting a CDG Savings Rate update.

	Orange & Rockland Account Number (10 digits)	Orange & Rockland Account Name	Allocation Percentage (total not to exceed 100.000%)	Anchor Satellite (Place X if selecting as anchor satellite) Note: project can only have up to one Anchor Satellite at any given time.
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
			0.000%	0

Additional lines can be added, as needed, to extend the above list to capture additional CDG member accounts. Each attached sheet must be signed and dated by the undersigned.

SECTION III - CDG Savings Rate		
The CDG Savings Rate will be applicable to all CDG Satellites, except for the Anchor Satellite denoted above, if any. The CDG Savings Rate terms, conditions, and procedures are set forth in the Tariff, and the Company's CDG Net Crediting Manual as may be amended from time to time.		
Select One (place X to select)		Not Applicable: to be selected if CDG Project is not enrolled in the CDG Net Crediting Program.
		Initial CDG Savings Rate: must be submitted at least 60 days prior to the CDG Host Account commencing service under the CDG Net Crediting Program.
		Updated CDG Savings Rate: must be submitted no less than 30 days before the CDG Host Account's cycle billing date to which the modifications apply.
		No Change: to be selected if there is no change to the CDG Savings Rate when submitting a Subsequent Allocation Request.
CDG Savings Rate:		
Name: Title: Signature: Date:		
SECTION IV - Accepted and Agreed		
Service to be supplied to the CDG Host will be supplied and conditioned on the CDG Host's ongoing compliance with the terms, conditions and procedures set forth in the Tariff, the Company's Community Distributed Generation Operating Procedure, and the Company's CDG Net Crediting Manual as may be amended from time to time.		
Name: Title: Signature: Date:		
SECTION IV - Submission		
Completed allocation request forms should be uploaded to PowerClerk under your project. The data will be returned to you via PowerClerk once the data request has been processed.		

**Community Distributed Generation Net Crediting Agreement
for [CDG Project Name and Identification Number]**

This Agreement (“Agreement”) is made this _____ day of _____, 20____, between Orange and Rockland Utilities, Inc. (the “Utility” or “O&R”), a New York corporation with a principal place of business at One Blue Hill Plaza, Pearl River, New York 10965 and _____, a community distributed generation (“CDG”) sponsor (the “CDG Sponsor” or “Sponsor”), a [state] [type of legal entity] with a principal place of business at _____. The Utility and the CDG Sponsor are also individually referred to herein as a “Party” or collectively as “Parties.”

Whereas, the New York State Public Service Commission (“Commission”) first authorized CDG in its July 17, 2015 Order Establishing a Community Distributed Generation Program and Making Other Findings in Case 15-E-0082 to enable a broader community participation in renewable programs;

Whereas, the Commission subsequently issued its March 9, 2017 *Order on Net Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* (“VDER Transition Order”) in Case 15-E-0751 which in part provided for modifications to the compensation of Distributed Energy Resources (“DERs”) by creating the Value Stack compensation mechanism for eligible DERs, including CDG projects;

Whereas, the Commission’s September 14, 2017 *Order on Phase One Value of Distributed Energy Resources Implementation Proposals, Cost Mitigation Issues, and Related Matters* in Case 15-E-0751 directed electric utilities subject to the Commission’s jurisdiction to submit tariffs based on the Value Stack compensation mechanism developed in the VDER Transition Order;

Whereas, under the original CDG construct: the CDG Sponsor enters into a contractual arrangement with the Utility’s electric customers to participate in a CDG project pursuant to which the participating customers (“Satellites”) are billed monthly subscription fees by the CDG Sponsor for their participation in the CDG project per the terms of the contractual arrangement and the Utility calculates and distributes the CDG credits to each Satellite on the Satellite’s electric utility bill, allocated as directed by the CDG Sponsor for the CDG project.

Whereas, on June 18, 2019, the Commission issued its *Notice Seeking Comments Regarding Consolidating Billing for Community Distributed Generation* in Case 19-M-0436, seeking input on modifying the existing CDG construct so that the CDG Sponsor would not have to separately bill the Satellites for the monthly subscription fees for a CDG project;

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Whereas, the Commission’s December 12, 2019 *Order Regarding Consolidated Billing for Community Distributed Generation* (“CDG Net Crediting Order”) in Case 19-M-0463 adopted a net crediting model whereby the Utility is to calculate the participating CDG Satellites’ credits, remit a percentage of the value of such credits to the CDG Sponsor, less the Utility Administrative Fee retained by the Utility, and provide the remaining credit value on the CDG Satellites’ electric utility bills (“Net Crediting Program”), thus eliminating the need for the CDG Sponsor to separately bill the participating CDG Satellites for monthly subscription fees;

Whereas, the CDG Sponsor is a DER provider registered with the Commission with a CDG project located at _____, and identified by the Utility as _____ (the “CDG Project”);

Whereas, the CDG Sponsor wishes to enroll the CDG Project in the Net Crediting Program of the Utility;

Whereas, the CDG Sponsor attests that it has entered into valid, fully executed contracts (“Net Crediting Subscription Contracts”) with CDG Satellites who are the Utility’s electric customers for participation in the Net Crediting Program;

Whereas, the Net Crediting Order directs electric utilities to offer the Net Crediting Model for all CDG projects, both new and existing, incorporating both those existing CDG projects receiving Value Stack compensation as well as those receiving volumetric credits, this Agreement addresses only CDG projects generating Value Stack Credits;

Whereas, the Utility has established a billing process to permit the Utility to calculate the total value of the CDG Satellites’ Value Stack Credits, remit a percentage of the value of such credits to the CDG Sponsor (less the Utility Administrative Fee retained by the Utility), and provide the remaining value of such credits on the CDG Satellites’ electric utility bills, allocated as directed by the CDG Sponsor; and

Whereas, the Utility has filed tariff leaves with the Commission effectuating the Net Crediting Program per the CDG Net Crediting Order and is willing to implement the Net Crediting Program for the CDG Project, subject to the terms and conditions of this Agreement, and Commission orders.

NOW THEREFORE, the Parties hereto, each in consideration of the Agreement of the other, which the Parties agree is sufficient, do hereby agree as follows:

1. Definitions. Any capitalized terms used in this Agreement shall be defined as set forth below:

1.1. CDG Sponsor is the entity that organizes, owns, and/or operates a CDG project and may be identified as the “CDG Host” in some Utility tariffs. A CDG Sponsor may be involved in one or more CDG projects and be otherwise engaged in soliciting

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customers, members, or subscribers for a CDG project or CDG projects, through its own employees or agents, on its own behalf. A CDG Sponsor must be registered with the Commission consistent with the Uniform Business Practices for Distributed Energy Resource Suppliers (“UBP-DERS”).

- 1.2. CDG Sponsor Payment** is the payment from the Utility to the CDG Sponsor representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Utility.
- 1.3. CDG Satellite** is an electric customer of the Utility who is participating in the CDG Project.
- 1.4. CDG Savings Rate** is the rate used to calculate the value of the CDG Project’s monthly Value Stack Credits that will be provided by the Utility on CDG Satellites’ electric utility accounts, allocated as directed by the CDG Sponsor, where such rate shall not be less than 5 percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Customer, if applicable.
- 1.5. CDG Subscription Fee** is the value of the CDG Project’s monthly Value Stack Credits calculated pursuant to Rider N of the Electricity Tariff by O&R and provided to the CDG Sponsor.
- 1.6. Commission** is the New York State Public Service Commission.
- 1.7. Confidential Information** is as defined in Sections 9.1 and 9.2 of this Agreement.
- 1.8. Electricity Tariff** is O&R’s effective P.S.C. No. 3, Schedule for Electric Service approved by the Commission which may be amended or succeeded from time to time.
- 1.9. Excluded Anchor Customer** is a demand-billed, non-mass market Utility electric customer with demand greater than or equal to 25kW that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Sponsor identifies as being excluded from the Net Crediting Program. If the CDG Sponsor notifies the Utility that the CDG Project has an Excluded Anchor Customer, the Utility will not apply the CDG Savings Rate to the calculation of credits to the Excluded Anchor Customer. Only one Excluded Anchor Customer may be excluded from the Net Crediting Program per CDG Project.

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1.10. Net Crediting Program is the Utility's CDG program as implemented pursuant to the Net Crediting Order where the Utility applies a portion of the CDG Project's Value Stack Credits to the CDG Satellites' electric utility accounts and remits the remainder to the CDG Sponsor, less the Utility Administrative Fee.

1.11. Net Crediting Manual is the Utility's detailed guide for implementing the Net Crediting Program. The Net Crediting Manual is maintained by the Utility.

1.12. Net Crediting Subscription Contract is the agreement between the CDG Sponsor and each CDG Satellite participating in the Net Crediting Model.

1.13. Net Member Credits are the resulting credits on the CDG Satellite's electric utility account calculated pursuant to Rider N of the Electricity Tariff, based on the CDG Project's monthly Value Stack Credits, the applicable CDG Savings Rate, the CDG Satellite's Allocation Percentages, the CDG Satellite's monthly retail charges, and the CDG Satellite's banked credits, including any banked credits allocated from the CDG Sponsor.

1.14. Representative means any contractor, subcontractor, CDG Satellite, or other entity to which Confidential Information may be transferred under this Agreement.

1.15. Utility Administrative Fee is the amount of the monthly value of the CDG Project's Value Stack Credits that the Utility will retain, as approved by the Commission.

1.16. Value Stack Credits are the credits generated from electricity generated from the CDG Project pursuant to Rider N of the Electricity Tariff.

2. Effective Date. This Agreement shall be effective upon execution by the last Party to sign with the Utility's date to commence the Net Crediting Program to be as specified in the Net Crediting Manual.

3. Term/Termination

3.1. This Agreement shall remain in effect until terminated (i) in accordance with its terms or (ii) by an order of the Commission, whichever shall occur first.

3.2. Notwithstanding anything to the contrary elsewhere in this Agreement or in the Electricity Tariff, the Utility, by written notice to the CDG Sponsor, may if permitted in a proceeding, terminate this Agreement in whole or in part with respect to the CDG Project or suspend further performance without terminating this Agreement upon the

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occurrence of any of the following: (a) the CDG Sponsor or CDG Project terminates or suspends doing business, except where such suspension is caused by Force Majeure; (b) the CDG Sponsor or CDG Project becomes subject to any bankruptcy or insolvency proceeding under federal or state law (and which proceeding is not removed or dismissed within sixty (60) days from the filing thereof), or becomes insolvent, becomes subject to the direct control of a transferee, receiver or similar authority in relation to a bankruptcy or insolvency proceeding, or (except as otherwise provided in Section 15.7) makes an assignment for the benefit of creditors; (c) the CDG Sponsor commits a material breach of any of its obligations under this Agreement with respect to the Net Crediting Program and has not cured such breach within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the breach (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days); or (d) the CDG Project is in material violation of the Utility's electric standards, including but not limited to provisions related to interconnection and safety and has not cured such violation within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the violation (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days). Notwithstanding the aforementioned cure provisions or any other provision of this Agreement, the Utility may take immediate actions with respect to the CDG Project interconnection if deemed necessary by the Utility, in its sole discretion, to protect the safety of the public, customers, or employees, or the operation of the electric system.

- 3.3.** The foregoing notwithstanding, the CDG Sponsor may upon written notice to Utility remove the CDG Project from the Net Crediting Program. The CDG Sponsor and the Utility shall follow the process detailed in the Net Crediting Manual for removal of the CDG Project from the Net Crediting Program. The CDG Sponsor shall notify the affected CDG Satellites of the removal of the CDG Project from the Net Crediting Program.

4. Representations.

- 4.1.** The CDG Sponsor represents that it is and shall remain in compliance with all applicable laws, tariffs, regulations, and the Utility's electric standards, safety, and cybersecurity standards with respect to the CDG Project during the term of this Agreement including the Electricity Tariff.

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- 4.2.** Each person executing this Agreement for the respective Parties represents and warrants that he or she has authority to bind that Party.
- 4.3.** Each Party represents that (a) it has the full power and authority to execute, deliver, and perform its obligations under this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.
- 4.4.** The Utility and the CDG Sponsor shall exercise all reasonable care, diligence and good faith in the performance of their duties pursuant to this Agreement and carry out their duties in accordance with applicable recognized professional standards.
- 4.5.** The CDG Sponsor represents that it is registered with the Commission as provided for in the Uniform Business Practices for DER Suppliers ("UBP-DERS") and will abide by all applicable requirements in the UBP-DERS as it may be amended from time to time by the Commission.

5. CDG Sponsor Rights and Responsibilities

- 5.1.** The CDG Sponsor will enroll the CDG Project and CDG Satellites in the Net Crediting Program pursuant to the Net Crediting Manual. When enrolling a CDG project in the Net Crediting Program, CDG Sponsor shall designate one CDG Savings Rate which will be applicable to all CDG Satellites for the CDG Project, with the exception of the Excluded Anchor Customer.
- 5.2.** The CDG Sponsor shall provide the Utility with all information required in the Net Crediting Manual. The CDG Sponsor shall respond promptly (within no more than two (2) business days) to the Utility's requests for Net Crediting Program related data to the extent such data is required for the Utility to perform hereunder.
- 5.3.** The CDG Sponsor shall handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Utility. The Utility will remain responsible for resolving Utility billing-related customer inquiries and complaints.

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- 5.4.** The CDG Sponsor shall cooperate with and provide the Utility with necessary documentation relating to any transactions resulting hereunder.
- 5.5.** The CDG Sponsor shall provide timely and accurate information to the Utility regarding participating CDG Satellites and any other information necessary for the Utility to perform hereunder.
- 5.6.** The CDG Sponsor agrees that services rendered by the Utility shall not relieve the CDG Sponsor from any obligation to maintain records or otherwise comply with applicable laws. The CDG Sponsor agrees that it will maintain backup data and files for all information provided to the Utility as protection against loss of such information.
- 5.7.** In the event that the CDG Sponsor receives a CDG Satellite subscription payment directly from the CDG Satellite, in error, the CDG Sponsor shall return such payment to the CDG Satellite.
- 5.8.** The CDG Sponsor is responsible for notifying the Utility of any changes to CDG Satellite allocations in accordance with the rules and guidelines of the CDG Net Crediting Manual.

6. Utility Rights and Responsibilities

- 6.1.** The Utility shall remit the CDG Sponsor Payment to the CDG Sponsor in accordance with the procedures established in the Net Crediting Manual. The CDG Sponsor Payment shall be remitted to CDG Sponsor via Automated Clearing House (“ACH”), check, or other payment form provided for in the Net Crediting Manual. Such remittance shall be performed at least monthly and shall be completed in a commercially reasonable time frame, and in any event, no later than seventy (70) days after the Utility has applied the CDG Subscription Fee to a CDG Satellite’s electric utility bill.
- 6.2.** The Utility shall provide Net Member Credits on CDG Satellite electric utility bills, allocated pursuant to the CDG Sponsor’s directive, consistent with the Net Crediting Subscription Contract with each CDG Satellite.
- 6.3.** In no event shall the aggregate value of applied net credits, CDG Subscription Fee and Utility Administrative Fee for a given billing cycle exceed the sum of value stack credits and available banked credits for that cycle.

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- 6.4.** In the event the Utility is required to cancel and rebill from the CDG Sponsor or CDG Satellites, the CDG Sponsor Payment will reflect the effect of those adjustments. If the CDG Project unenrolls from net crediting and the resultant CDG Subscription Fees differ from the amount originally paid to the CDG Sponsor, the Utility will invoice/refund the CDG Sponsor for the difference.
- 6.5.** The Utility will provide information to the CDG Sponsor utilizing the format, methods, and timeframes defined in the Net Crediting Manual.
- 6.6.** If the CDG Sponsor identifies an Excluded Anchor Customer in the manner set out in the Net Crediting Manual, the Utility will not apply the CDG Savings Rate to the calculation of the Excluded Anchor Customer's Net Member Credit, and will provide the Excluded Anchor Customer with 100 percent of its allocation of the Value Stack Credits in accordance with the Net Crediting Manual procedures and Electricity Tariff.
- 6.7.** The Utility shall be responsible for resolving Utility billing-related customer inquiries and complaints. In the case of customer inquiries to the Utility related to the CDG Sponsor, the Utility will promptly provide customers the CDG Sponsor's contact information.
- 6.8.** For CDG Satellites subscribed to budget billing plans, the Utility is responsible for ensuring their Net Member Credits are subtracted from the current amount due rather than the underlying balance.
- 6.9.** The Utility is responsible for updating and implementing CDG Satellite allocation lists as directed by the CDG Sponsor, in accordance with relevant rules and guidelines of the CDG program.
- 6.10.** The Utility shall provide Net Member Credits to the CDG Satellites within two (2) months after the CDG Sponsor's billing cycle except in the case bi-monthly billed accounts in which case the appropriate time period would be (3) months.
- 7. Utility Compensation.** To compensate the Utility for the provision of the Net Crediting Program, the Utility will retain the Utility Administrative Fee, deducted from the CDG Sponsor Payment, as described in the Net Crediting Tariff. The Utility may not retain any Utility Administrative Fee in connection with the Excluded Anchor Customer.

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8. Taxes. The Utility is not responsible for assessing or collecting any taxes on payments made to the CDG Sponsor. Nothing in this Agreement shall be construed as imposing upon the Utility the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of the CDG Sponsor.

9. Confidential Information

9.1. Except as otherwise provided herein, the Parties agree not to disclose to any third party and to keep confidential, and to cause their affiliates, officers, directors, members, employees and Representatives not to disclose to any third party and to keep confidential, any and all customer information obtained by either Party from the other relating to this Agreement (including but not limited to, all business-sensitive and competitive information disclosed by either Party to the other Party, including billing information, issues, or data associated with any customer). Information described in this paragraph 9.1 and described in paragraph 9.2 of this Section 9 is collectively referred to as “Confidential Information.” Each Party will require its affiliates, officers, directors, members, employees, and Representatives to comply with this Agreement and any other agreement regarding the exchange of Confidential Information, including but not limited to the terms and conditions of an applicable Interconnection Agreement, Data Security Agreement, Professional Services Contract, General Contract Conditions, or Non-Disclosure Agreement.

9.2. In addition, each Party acknowledges that all information furnished and identified by the other Party as being confidential or proprietary information, trade secret, confidential commercial information, critical infrastructure, or other information that is confidential pursuant to state, federal or local law, regulation or rule, is and shall remain the sole and exclusive property of such other Party.

9.3. Information and data provided to the Utility by the CDG Sponsor under this Agreement shall be used by the Utility for the purposes of billing, receiving, depositing, posting, processing and remittance of CDG Satellite utility bill credits or for determining the amounts due the CDG Sponsor. Confidential Information may be disclosed by the receiving Party to its employees, agents, consultants and Representatives on a need-to-know basis only.

9.4. The receiving Party is required to destroy Confidential Information within six (6) years from the date received or the date when the information is no longer required for the operation of the Net Crediting Program, whichever occurs last, and thereafter, to

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destroy such Confidential Information or, at the request of the disclosing Party, return such Confidential Information.

- 9.5.** The confidentiality obligations of this Article do not apply to information which: (i) is already known to the Party free of any restriction at the time it is obtained from the other Party; (ii) is subsequently learned by one Party from an independent third party free of any restriction and without breach of this Agreement; (iii) is or becomes publicly available through no wrongful act of either Party; (iv) is independently developed by one Party without reference to any Confidential Information of the other; (v) is disclosed by one Party to a third party, with the express written permission of the other Party; (vi) is disclosed to the extent required by applicable laws and regulations or by any subpoena or similar legal process (where the disclosing Party must seek confidential treatment from the appropriate court of law or regulator of competent jurisdiction and must inform the non-disclosing Party as soon as practicable to allow the non-disclosing Party to intervene and seek protection of the Confidential Information); or (vii) is disclosed pursuant to the lawful requirement or formal request of a governmental agency or a party in any regulatory proceeding, provided that if one Party is requested or, in the written opinion of its counsel, legally compelled by a governmental agency or a party in any regulatory proceeding to disclose any Confidential Information of the other Party, such party, to the extent permitted by law, agrees to provide the other Party with prompt written notice of such request so that the other Party has the opportunity to pursue its legal and equitable remedies regarding such potential disclosure. The receiving Party further agrees that if the disclosing Party is not successful in precluding the requesting legal or governmental body from requiring disclosure of the Confidential information, the receiving Party will furnish only that portion of the Confidential Information which, in the written opinion of its counsel, it is legally required to disclose, and will exercise all reasonable efforts to obtain assurances that confidential treatment will be accorded to the Confidential Information.
- 9.6.** Each Party acknowledges and agrees that its breach or threatened breach of this Article may cause the other Party irreparable harm which may not be adequately compensated by monetary damages. Accordingly, in the event of any such breach or threatened breach by either Party, such Party agrees to the granting of equitable relief, including temporary restraining orders or preliminary or permanent injunctions, in addition to any legal remedies to which the other Party may be entitled, without proof of actual damages.

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9.7. The provisions of this Article shall survive the expiration or termination of this Agreement.

10. Resolution of Disputes between Utility and CDG Sponsor

10.1. Each Party agrees to attempt to resolve all disputes arising under this Agreement promptly, equitably, and in a good faith manner.

10.2. If the Parties fail to resolve any dispute under this Agreement within ten (10) days after written notice of the dispute, the Parties agree to submit the dispute to mediation by a mutually acceptable mediator, in a mutually convenient location in New York State, in accordance with the then current International Institute for Conflict Prevention & Resolution Procedure, or to mediation by a mediator approved by the Commission. The Parties agree to participate in good faith in the mediation for a period of up to ninety (90) days. If the Parties are not successful in resolving their disputes through mediation, the Parties may then refer the dispute for resolution to the Commission, which shall maintain continuing jurisdiction over this Agreement.

11. Resolution of Disputes between CDG Sponsor and CDG Satellite. The CDG Sponsor will be responsible for resolution of all inquiries and complaints related to the CDG Project in accordance with its Net Crediting Subscription Contract with CDG Satellites. The Utility will refer to the CDG Sponsor all inquiries and complaints initiated by CDG Satellites arising from or relating to the CDG Project or the Net Crediting Subscription Contract.

12. Indemnification

12.1. The CDG Sponsor shall indemnify, defend, and hold the Utility and its corporate affiliates and their respective officers, directors, trustees, employees, agents, successors, Representatives and assigns harmless from and against any and all loss, liability, damage or expense (including reasonable attorneys' fees), statutory or administrative fines or penalties or claims for injury or damages arising out of the performance of this Agreement or breach thereof by CDG Sponsor, including any claims, demands, causes of action, litigation, suits, proceedings, hearings or investigations (collectively "Claims") by a third party for payments based upon any agreement or understanding alleged to have been made by the third party, directly or indirectly, with CDG Sponsor in connection with any of the transactions contemplated by this Agreement, except to the extent caused by the gross negligence or willful misconduct of Utility.

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12.2. The obligations of this Article 12 will survive the expiration, suspension or termination of this Agreement or the Net Crediting Program.

13. Force Majeure

13.1. Neither Party shall be considered in default under this Agreement or responsible in tort, strict liability, contract or other legal theory to the other Party for damages of any description for any interruption or failure of service or deficiency in the quality or quantity of service, or any failure to perform if such failure is caused by factors beyond the Party's reasonable control that by exercise of reasonable diligence the Party is unable to prevent or overcome, including without limitation, storm, flood, lightning, earthquake, explosion, civil disturbance, labor dispute, sabotage, war, insurrection, act of God or the public enemy, action of a court, or public authority ("Force Majeure").

13.2. If any Force Majeure occurs, the Party delayed or unable to perform shall give immediate written notice to the other Party. During the pendency of the Force Majeure, the duties of the Party affected by the Force Majeure conditions shall be abated and shall resume without liability thereafter, provided that an obligation to make payments under this Agreement shall not be excused by the occurrence of an event of Force Majeure.

14. Security Interest. The CDG Sponsor shall, without further consideration and at the CDG Sponsor's expense, use all commercially reasonable efforts to take or cause to be taken, any action, including the execution and delivery of instruments and documents, reasonably requested by the Utility to establish a first priority perfected security interest in favor of the Utility in the amounts included in Value Stack Credits related to the CDG Sponsor's provision of subscription services to CDG Satellites from the CDG Project. The failure by the CDG Sponsor to fulfill any obligation of the CDG Sponsor pursuant to this paragraph shall specifically be deemed a breach of a material term or condition of this Agreement. Nothing in this Section 14 will be deemed to provide Utility with any rights to the CDG Sponsor Payment to CDG Sponsor. If an entity providing material financing to a CDG Sponsor requires the Utility to take a subordinate security interest before it will provide financing to the CDG Sponsor, the CDG Sponsor may request the Utility to take a subordinate interest. The Utility's agreement to take a subordinate security interest to the financier will not be unreasonably withheld, delayed, or conditioned. No subordination agreement by the Utility will be effective unless it is in writing and signed by both Parties.

15. Miscellaneous

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15.1. Entire Agreement. This Agreement, all Exhibits and attachments hereto and all documents referenced herein, constitute the entire agreement between the Parties and supersedes all other agreements, communications, and representations. Paragraph headings are for convenience only and are not to be construed as part of this Agreement.

15.2. Amendment. Unless otherwise provided herein, no modification of, or supplement to, the terms and provision stated in this Agreement shall be or become effective without the written consent of both Parties. If the Net Crediting Program is suspended by statute or Commission order, this Agreement will be modified in accordance with such statute or order.

15.3. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same document.

15.4. Severability. In the event that any portion or part of this Agreement is deemed invalid, against public policy, void or otherwise unenforceable by a court of law, the validity and enforceability of the remaining portions thereof shall otherwise be fully enforceable.

15.5. Change in Law. To the extent that new mandatory regulatory, legislative or accounting changes, tax law changes, other regulatory policy changes, or other events materially affect the ability of either Party to comply with the provisions of this Agreement, including but not limited to material financial consequence, managerial, mechanical or technical compliance, the Parties agree to meet and use best efforts to renegotiate the terms and conditions of this Agreement to restore the position of the detrimentally affected Party to a financially neutral position or to be able to meet the managerial, mechanical and technical requirements of compliance. Methods that the Parties may consider to restore the detrimentally affected Party's ability to comply with this Agreement shall include, but not be limited to cost recovery through rates, payment for service by the unaffected Party, technical assistance, or other assistance as may be agreed upon. Renegotiated terms and conditions shall be effective when reduced to writing and signed by both Parties. If the Parties are unable to renegotiate acceptable changes, they may avail themselves of the dispute resolution mechanism set forth in Section 10 of this Agreement, and the existing terms and conditions of this Agreement shall continue to be effective through the conclusion of such dispute resolution mechanism.

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15.6. Waiver. No waiver by any Party of any one or more defaults by the other Party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any other present or future default, whether of a like or different character. No delay by either Party in enforcing any of its rights hereunder shall be deemed a waiver of such rights.

15.7. Assignment.

15.7.1. Neither Party may assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld, delayed or conditioned, provided however that the CDG Sponsor has a right to assign (and/or collaterally assign, in connection with a financing transaction) its right to payments to be made by the Utility hereunder. The CDG Sponsor shall provide the Utility with a copy of the document in which the assignment is made or so much of the document as may be necessary to make clear the identity of the parties thereto and the terms of the assignment. The CDG Sponsor hereby waives any claim against the Utility for making payments pursuant to the assignment.

15.7.2. An assignment, transfer or other disposition of the Utility's rights and obligations under this Agreement resulting from or associated with (i) any restructuring of the assets of the Utility or (ii) any acquisition, consolidation, merger or other form of combination of the Utility by, into, or with any person or entity shall not be subject to the prior notice and consent requirements of this sub-article.

15.7.3. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement. Any assignment, transfer or other disposition of this Agreement, or any rights, duties or obligations hereunder by either Party, except as specifically permitted herein, is in violation of this sub-article and void.

15.8. Subcontracting. Each Party may subcontract all or any portion of the performance to be rendered hereunder without the express approval of the other as to the tasks to be subcontracted and the subcontractor, provided, however that each Party shall be fully responsible for the acts and omissions of its subcontractors and their agents as it is for its own acts and omissions.

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- 15.9. No Third-Party Beneficiaries.** There are no third-party beneficiaries to this Agreement. Nothing contained herein shall be deemed to confer any rights or grant any remedies or give any benefit to any third party.
- 15.10. Relationship of the Parties.** This Agreement is not intended, and shall not be construed to create any association, joint venture, agency relationship or partnership between the Parties of to impose any such obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of or otherwise bind the other Party.
- 15.11. Governing Law.** This Agreement is governed by the laws of the State of New York without regard to the doctrines governing choice of law. All disputes arising hereunder shall be brought either before the Commission the state courts of the State of New York, or a federal court located in the State of New York.
- 15.12. Construction.** In the event of any conflict between the provisions of this Agreement and the provisions of the Electricity Tariff, the applicable provisions of the Electricity Tariff shall apply.
- 15.13. Notices.** Except as otherwise provided herein, any notices given under this Agreement shall be in writing and shall be delivered to the recipient Party at the address set forth in Exhibit A, by hand or sent by (a) certified mail, return receipt requested, first class postage prepaid, or (b) nationally recognized courier service. Notices given hereunder shall be deemed to have been given upon receipt or refusal to receive. The address to which such notices shall be given by either Party may be changed by written notice given by such Party to the other Party pursuant to this sub-article.
- 15.14. Other Remedies.** Nothing contained herein shall be construed as a limitation on the right of either Party to pursue any remedy it may have at law or in equity.

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

CDG SPONSOR: _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

ORANGE AND ROCKLAND, UTILITIES, INC.

Name (Print): _____

Signature: _____

Title: _____

Date: _____

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EXHIBIT A

All notices and information addressed to the Utility shall be addressed as follows:

Orange and Rockland Utilities, Inc.
390 West Route 59
Spring Valley, New York 10977
Attn:

All notices and information addressed to the CDG Sponsor shall be addressed as follows:

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Orange and Rockland Utilities, Inc.

One Blue Hill Plaza

Pearl River, New York 10965

Community Distributed Generation

Net Crediting Manual

**~~For Customers Eligible for the Value Stack Tariff and
Compensation~~**

Version 1, Filed August 31, 2020

Commented [RJ1]:
Change to Version 2, Filed: TBD

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Appendix A Enrollment Documentation

Appendix B CDG Host Certification Form

Appendix C CDG Host Allocation Request Form

Appendix D Net Crediting Agreement

Commented [RJ2]: Update with final version of NC Agreement (universal version for both Vol & VS)..Pending

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Net Crediting Manual for CDG Projects ~~subject to Value Stack Compensation~~

1. Introduction

On July 17, 2015, the Public Service Commission (“PSC” or “Commission”) issued its *Order Establishing a Community Distributed Generation Program and Making Other Findings* in Case 15-E-0082 (“Community Distributed Generation Order” or “CDG Order”) under which the policies, requirements and conditions for implementing Community Net Metering were established, hereinafter referred to as CDG. Subsequently, on March 9, 2017, the Commission issued its *Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* in Case 15-E-0751 (“Value of Distributed Energy Resource Order” or “VDER Order”) in which the policies, requirements, and conditions for CDG were updated to reflect a transition away from net metering. On October 19, 2017, the Commission issued its *Order Establishing Oversight Framework and Uniform Business Practices for Distributed Energy Resource Suppliers* in Case 15-M-0180 which establishes Uniform Business Practices (“UBP- DERS”) for oversight of distributed energy resources suppliers (“DERS” or “DER suppliers”) and a more specific and detailed set of provisions for CDG providers. Finally, on September 12, 2018, the Commission issued its *Order on Value Stack Eligibility Expansion and Other Matters* (“Expansion Order”), which enabled more generator technology types to be CDG Hosts.

On December 12, 2019, the PSC issued its Order Regarding Consolidated Billing for Community Distributed Generation in Case 19-M-0463 (“Net Crediting Order”) which established the policies, requirements and conditions to implement Net Crediting. The terms of service for CDG that resulted from the VDER Order, the Expansion Order, and the Net Crediting Order are set forth in the Company’s Schedule for Electricity, P.S.C. No. 3 (“Tariff”) under Rider N, Net Metering and Value Stack Tariff for Customer Generators (“Value Stack Tariff”).

This Net Crediting Procedural Manual (“Manual”) sets forth Orange and Rockland Utilities, Inc.’s (“O&R” or the “Company”) procedural requirements for CDG providers that wish to participate in Net Crediting, consistent with the requirements outlined in the Order(s) noted above, the UBPDERS, and the Tariff. Additional procedural requirements for CDG providers can be found in O&R’s *Community Distributed Generation Procedural Requirements For Customers Eligible for the Value Stack Tariff and Compensation* (“CDG Procedures”).

Typically, a CDG project involves the following three parties: the CDG Host; CDG Satellites (also referred to as Subscribers); and the Company. A CDG Host is the project sponsor and is responsible for owning or operating the generation facility, coordinating the project’s interconnection and operation, and supervising and fostering cooperation among the CDG Satellites. CDG Satellites are the project subscribers who will own or contract for a proportion of the credits accumulated at the generation facility’s meter, as a percentage of the facility’s output in excess of usage on the CDG Host’s account. The Company is responsible for distributing the

Commented [RJ3]: Do we need to update intro to capture any of the Vol Net Crediting specific proceedings?

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credits from the CDG Host's account to CDG Satellites, in accordance with the CDG Host's instructions and [Rider N of the Orange & Rockland's Electric Tariff](#) ~~the Value Stack Tariff~~.

CDG Hosts may enroll in the Net Crediting Program, under which the Company will apply the savings rate provided by the CDG Host to all of the CDG Satellites in the project (excluding any Anchor Satellite) resulting in a net credit being applied to the CDG Satellites' electric bills. The Company will remit payment to the CDG Host, on behalf of the CDG Satellites, equal to the CDG Subscription Fees less the Utility Administrative Fee owed by the CDG Host to the Company.

The Company may modify its Net Crediting procedures as needed based on experience or as required by the PSC, including modification of the UBP-DERS. In the event of any inconsistency between the Tariff or any PSC order and this Manual, the Tariff and/or PSC orders will govern.

2. Definitions

The capitalized terms included in this Manual shall have the meanings set forth below.

Allocated Credit: The ~~Value Stack~~ credit allocated by the CDG Host for its net hourly injected energy during the CDG Host's billing period to a CDG Satellite, ~~pursuant to the Value Stack Tariff.~~

Applied Credit: Equal to the portion of the Total Available Credit, that offsets the CDG Satellite's electric service bill from the Company each billing period. A CDG Satellite's applied credit cannot exceed the amount of a CDG Satellite's electric service bill from the Company during an individual billing period. The Company shall use the Applied Credit as the basis to determine the CDG Subscription Fee.

Anchor Satellite: For purposes of this Manual, a CDG Satellite that is demand billed by the Company and has a demand of 25 kW or greater in the previous 12 months and is designated by the CDG Host to be excluded from Net Crediting Program. The Anchor Satellite is known as the Excluded Anchor Customer in the Community Distributed Generation Net Crediting Agreement.

CDG Allocation Request: The CDG Host's instruction to the Company as to the disposition of Allocated Credit or Host Bank Allocated Credit.

CDG Host: A non-residential customer that owns or operates electric generating equipment eligible ~~to be compensated under Rider N for the Value Stack Tariff~~ and whose net energy produced by its generating equipment is applied to the accounts of the CDG Satellites. A CDG Host is also commonly referred to as a CDG Sponsor or CDG Provider.

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CDG Host Payment: The payment from the Company to the CDG Host representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Company.

CDG Satellite: An O&R electric distribution customer who is allocated ~~value stack~~ credits from its CDG Host ~~in accordance with the Value Stack Tariff~~. A CDG Satellite is also commonly referred to as a CDG Subscriber.

CDG Savings Rate: The rate used to calculate the value of the CDG Project's monthly ~~value stack~~ credits that will be provided by the Utility to CDG Satellites' electric utility accounts, allocated as directed by the CDG Sponsor, where such rate shall not be less than five percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Anchor Satellite, if applicable.

CDG Subscription Fee: The amount of the Applied Credit withheld from the CDG Satellite's electric monthly bill, representing the amount owed to the Host by the Satellite.

Enrollment Period: A 60-day period that begins once the Company receives the completed Enrollment documentation.

Host Bank Allocated Credit: The credit allocated by the CDG Host from the CDG Host's Banked Monetary Credit pursuant to the Value Stack Tariff.

Net Crediting Program: A voluntary program offered by the Company to CDG Hosts. The Net Crediting Program authorizes the Company to remit payments to the CDG Host on behalf of CDG Satellites, resulting in a net ~~value stack~~ credit ~~applied to~~ the CDG Satellite's O&R electric bill.

Non-residential Customer: For purposes of this Manual, a customer billed by the Company under a Service Classification ("SC") other than SC 1 or SC 19.

Total Available Credit: The ~~Value Stack~~ credit available to offset a CDG Satellite's bill. The Total Available Credit is the sum of the Allocated Credit, Host Bank Allocated Credit (if any), and any remaining ~~Value Stack~~ credit from the preceding billing month that was carried forward to the current billing period.

Utility Administrative Fee: The amount paid by the CDG Host to the Company for participation in the Net Crediting Program. The rate used to calculate the Utility Administrative Fee is currently set at one percent by the Net Crediting Order, and will be available in the Company's tariffed statements.

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3. Enrollment Process:

- 3.1. The CDG Host must comply with the CDG Procedures, except where modified under this Net Crediting Manual.
- 3.2. The CDG Host shall submit the following required enrollment documentation to the Company:
 - 3.2.1 Cover sheet/Enrollment Checklist;
 - 3.2.2 Net Crediting Agreement;
 - 3.2.3 CDG Host Certification Form;
 - 3.2.4 Payment documentation, including Automated Clearinghouse (“ACH”) form, IRS Form W-9, and Bank Letter; and
 - 3.2.5 ~~Value Stack~~ Community Distributed Generation (CDG) Allocation Request Form (“Allocation Form”).
- 3.3. The enrollment documentation is attached hereto as Appendices A, B, C and D.
- 3.4. The enrollment documentation shall be submitted to the Company via upload to the Company’s interconnection online portal, PowerClerk. A 60-day Enrollment Period will begin once all completed forms are received by the Company.
- 3.5. Existing projects that apply for Net Crediting shall submit to the Company all the enrollment documentation listed above, including an updated CDG Host Certification Form and Allocation Form.
- 3.6. During the Enrollment Period the Company will review the submitted enrollment documentation.
- 3.7. After approval of the submitted documentation and the Enrollment Period ends, Net Crediting will be effective on the CDG Host’s subsequent billing date in accordance with Rider N of the Orange & Rockland’s Electric Tariff. ~~in accordance with the Value Stack Tariff.~~
- 3.8. The CDG Host shall execute the Net Crediting Agreement and submit the same to O&R for execution.
- 3.9. By submitting a CDG Allocation Request, the CDG Host shall certify that the CDG Host has entered into written contracts with each of its CDG Satellites acknowledging that each CDG Satellite will receive net credits pursuant to the Net Crediting Program.

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4. Initial ~~Value Stack~~ CDG Allocation Request:

- 4.1. The CDG Host shall complete and submit an initial allocation request using the Allocation Form included in Appendix C. The CDG Host shall comply with the CDG Procedures when completing this form, along with the additional requirements below.
- 4.2. Initial allocation requests must be received by the Company via PowerClerk as part of the enrollment documentation, minimum of 60 days before commencing service as a CDG project. The CDG Host shall designate in its initial application for CDG service, the CDG Host account, the CDG Satellite accounts that will receive credits under the CDG Program, the allocation percentages, the initial Savings Rate, and the Anchor Satellite, if any (subject to Sections 6 and 7 below). O&R will notify the CDG Host when submission of a complete and accurate initial allocation request has been accepted by the Company.
- 4.3. The Company shall use the initial CDG Allocation Request for disposition of a CDG Host's Allocation Credit until such time that a subsequent CDG Allocation Request is effective.

5. Subsequent ~~Value Stack~~ CDG Allocation Request:

- 5.1. To modify a CDG Allocation Request, the CDG Host shall complete and submit an updated Allocation Form included in Appendix C. The CDG Host shall comply with the CDG Procedures when completing this form, along with the additional requirements below.
- 5.2. In an updated Allocation Form, the CDG Host may modify: (1) the CDG Satellite accounts; and/or (2) the percentage allocated to one or more of its CDG Satellite accounts; and/or (3) the Anchor Satellite. Updates may be submitted once per CDG Host billing cycle by giving notice to the Company no less than 45 days before the CDG Host account's cycle billing date to which the modifications apply.
- 5.3. The CDG Host may modify its CDG Savings Rate once every six months by giving notice to the Company no less than 45 days before the CDG Host account's cycle billing date to which the modifications apply. See Sections 6 and 7 below for details on the CDG Savings Rate and Anchor Satellite.
- 5.4. CDG Allocation requests will be effective with the first full CDG Host billing period that commences at least 30 days after the Company's receipt of an accepted Allocation Form.

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6. CDG Savings Rate

- 6.1. The CDG Host shall complete and sign the Allocation Form and indicate the amount of the CDG Savings Rate.
- 6.2. The CDG Host may update the CDG Savings Rate six months from the effective date of the initial CDG Savings Rate or six months from the effective date of any subsequent change.
- 6.3. The CDG Savings Rate shall not be less than five percent, not to exceed two decimal points (e.g., 5% will be shown as 0.05).
- 6.4. The sum of the CDG Savings Rate and the rate of the Utility Administrative Fee may not exceed 100 percent.
- 6.5. The Company shall use the same CDG Savings Rate for all CDG Satellites subscribed to the CDG Host's project, except for the Anchor Satellite, if applicable.

7. Anchor Satellite

- 7.1. The CDG Host shall complete and sign the Allocation Form and indicate the Anchor Satellite, if applicable.
- 7.2. The CDG Host may modify the Anchor Satellite once per CDG Host billing cycle by submitting an updated Allocation Form to the Company no less than 45 days before the CDG Host account's cycle billing date to which the modifications apply.
- 7.3. Only one Anchor Satellite may be excluded from the Net Crediting Program per CDG Project, at any given time.

Commented [RJ4]: Not sure where we stand re: multiple savings rates & multiple anchor customers. The subject of multiple savings & multiple anchors is something that I believe is still being discussed.

8. Calculation of ~~Value Stack~~ Credit, CDG Satellite Payment, and Utility Administrative Fee

- 8.1. The CDG Savings Rate applied to a CDG Satellite's bill will be the rate in effect on the CDG Satellite's bill period end date, regardless of the savings rate in effect during the billing period for which the underlying ~~value stack~~ credit was allocated by the CDG Host.
- 8.2. A CDG Satellite's Allocated Credit will be calculated each CDG Host billing period as per Rider N of the Orange & Rockland's Electric Tariff ~~the Value Stack Tariff~~.

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- 8.3. A CDG Satellite's Applied Credit will be calculated based on the portion of the Total Available Credit that offsets the CDG Satellite's electric bill each billing period.
- 8.4. A CDG Subscription Fee will be calculated based on a CDG Satellite's Applied Credit each billing period. The CDG Subscription Fee is equal to the amount of the Applied Credit multiplied by a percentage equal to one minus the CDG Savings Rate.
- 8.5. When a CDG Satellite is billed, the Company shall apply a net credit to the CDG Satellite's electric charges equal to the Applied Credit less the CDG Subscription Fee.

For example, a CDG Satellite has a Total Available Credit of \$100. The CDG Satellite's electric bill charges are \$90. The Applied Credit is \$90 and \$10 is carried over to the CDG Satellite's subsequent billing period. Using a Savings Rate of five percent, the CDG Subscriber Fee is \$85.50 (*i.e.*, $\$90 \times (1-.05) = \$85.50$).

Commented [RJ5]: Should we remove & Add a Volumetric sample, or remove altogether?

- 8.6. The Utility Administrative Fee is equal to the Applied Credit multiplied by one percent.

Using the above example, the Utility Administrative Fee is \$0.90 (*i.e.*, \$90 Applied Credit multiplied by the one percent Utility Administrative Fee).

Commented [RJ6]: See above

- 8.7. If the CDG Host identifies an Anchor Satellite, the Company will not apply any CDG Subscription Fee to the Anchor Satellite's portion of the Applied Credit.
- 8.8. For the first billing cycle to which Net Crediting is applicable and all subsequent billing cycles, the CDG Savings Rate will be applied to any credit carryover and Host Bank Allocation applied to the CDG Satellite's bill that month. This includes any credit carryover and Host Bank allocation that existed on the CDG Satellite's account prior to the Project's participation in the Net Crediting program.
- 8.9. The Company shall provide to the CDG Host each month the CDG Detail Report which contains CDG Satellite level account details, ~~for the value stack credits and the Net Crediting Program.~~

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9. Payment to CDG Host

- 9.1. The CDG Host shall pay O&R the Utility Administrative Fee on a monthly basis.
- 9.2. The Company's payment to the CDG Host will include all CDG Subscription Fees net of the Utility Administrative Fees that were withheld from CDG Satellites that billed during the CDG Host's billing cycle.
- 9.3. O&R shall remit payment to the CDG Host on a monthly basis. Payment shall be via ACH and within 30 days from the CDG Host account's cycle billing date.
- 9.4. Using the example set forth in Section 8.5 above:

A CDG Host has a cycle billing date of February 10 for the bill cycle of January 10 to February 9. The payment will include all CDG Satellite payments net of Utility Administrative Fees that were withheld from January 10 through February 8. The Company will pay the CDG Host by March 11.

The amount remitted by the Company to the CDG Host is \$84.60 (\$85.50 less \$0.90).

Commented [RJ7]: Should we consider remove this?

- 9.5. O&R must receive changes to banking information at least 60 days prior to the CDG Host account's cycle billing date on which the banking information will become effective.
- 9.6. The Company shall provide payment details to the CDG Host related to each CDG Satellite on the monthly CDG Detail Report.

10. CDG Host Unenrollment from Net Crediting Program

- 10.1. To unenroll from the Net Crediting Program, a CDG Host must complete and submit an updated CDG Host Certification Form.
- 10.2. The effective date of the unenrollment will be the CDG Host account's cycle billing date that begins at least 45 days after submission of the request.

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11. CDG Host Re-enrollment in the Net Crediting Program

- 11.1. The CDG Hosts can re-enroll in the Net Crediting program 12 months from the effective date of unenrollment.
- 11.2. The CDG Host must complete the entire Enrollment Process as set forth in Section 3 above.

12. CDG Satellite Drops from CDG Project

- 12.1. After the Company renders a final bill for any customer receiving ~~value stack~~ credits, any remaining credit will not be cashed out, refunded, or transferred in accordance with ~~the Value Stack~~ Rider N of Orange & Rockland's Electric Tariff.

~~12.2.~~ 12.2. A CDG Satellite that is no longer participating in a CDG Project can use its excess value stack credit carryover until the carryover balance is zero.

Commented [RJ8]: Check the NC Tariff – We may be able to strike it altogether- ref 12.1

~~12.3.~~ 12.2. A CDG Satellite that is no longer participating in a Net Credited CDG Project shall receive the full value of the Applied Credit without netting of any CDG Subscription Fee.

~~12.4.~~ 12.3. A CDG Satellite with excess ~~value stack~~ credit carryover cannot enroll in a new CDG project until the remaining carryover is transferred back to the original CDG Host. ~~balance is zero.~~

Commented [RJ9]: Ref Tariff

~~12.5.~~ 12.4. The Company shall notify the CDG Host of a CDG Satellite account closure via the subsequent CDG Detail Report.

13. CDG Host/Project Change of Ownership

- 13.1. The CDG Host shall notify O&R of any change of ownership of the CDG project or the CDG Host entity at least 60 days prior to the effective date of the change.
- 13.2. The new owner will execute and submit all required payment documents listed in the enrollment documentation pursuant to Section 3 above, at least 60 days prior to their effective date. The CDG Host will also provide the Company with the required documentation for the changes as set forth in the Net Crediting Agreement.

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14. CDG Satellite Inquiries

- 14.1 The Company shall be responsible for resolving utility billing-related CDG Satellite inquiries and complaints. In the case of CDG Satellite inquiries to the Company related to the CDG Host, the Company will promptly provide CDG Satellites with the CDG Host's contact information.

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Appendix A

Net Crediting Enrollment Form/Application Checklist

Commented [RJ10]: No Change- Changes to any of these forms will also require a DCX & PowerClerk Update-Update Web Forms

Project ID (assigned by O&R): _____

Project Name: _____

Address: _____

Project O&R Account Number (if available): _____

Contact Name, Phone Number and Email Address for questions: _____

The CDG Host shall submit the following documents along with this checklist to the Company in the manner indicated. Once the Company receives all completed forms, the 60 day Enrollment Period will begin. The Company will notify the CDG Host via email upon receipt of all completed enrollment documents.

1. Checklist – upload to PowerClerk
2. Net Crediting Agreement – sign and date; then upload to PowerClerk
3. CDG Host Certification Form – upload to PowerClerk
4. CDG ~~Value Stack~~ Subscriber Allocation Request – complete, sign and date; then upload to PowerClerk
5. Payment information – complete and upload to PowerClerk
 - a. Automated Clearinghouse form
 - b. IRS Form W-9
 - c. Bank Letter

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CDG Host Certification Form**Please check all applicable boxes:**

	Initial CDG Host Certification
	Annual CDG Host Certification
	Enrollment in Net Crediting Program
	Unenrollment from Net Crediting Program

CDG Satellite Account Information

The CDG Host shall designate at least ten CDG Satellite Accounts with this initial application, all located in Orange and Rockland Utilities, Inc.'s (the "Company") service territory. No CDG Satellite shall have on-site generation or receive credits from another net-metered or Value Stack Host account. The CDG Host shall provide this list of CDG Satellite Accounts to the Company at least 60 days before the Company issues the first CDG bill. The CDG Host shall submit this information to the Company via the form included in Appendix C.

CDG Host Certification

CDG Hosts must complete all sections.

Section A.

☐ I certify that this CDG application meets all terms and conditions of Rider N and requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082, Case 15-M-0180 and Case 15-E-0751, as they may be amended or superseded from time to time.

☐ I certify that the demand billed CDG Satellite Accounts with demands of 25kW or greater listed with this application receive, in aggregate, no more than 40 percent of the generator's output.

Commented [RJ11]: Do we need to update this to include Case Nos associated with CDG-Volumetric?

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☐ I certify that each CDG Satellite Account is receiving at least 1,000 kWh annual but is not receiving credits in excess of the CDG Satellite Account's historic average annual kWh usage (or forecast usage if historic data is not available).

☐ I certify that all CDG Satellite Accounts, whether submitted with this application or subsequently, are all located within the Company's service territory.

☐ I certify that the sponsor of this CDG project meets creditworthiness standards as described in the October 16, 2015 Order in Case 15-E-0082, as they may be amended or superseded from time to time.

☐ I certify that the sponsor of this project will satisfy all obligations assumed with respect to Satellite Account owners (project members).

☐ I will re-submit these certifications to the Company on an annual basis.

Section B. Enrollment in the Net Crediting Program

If not enrolling in the Net Credit Program check ☐ Not Applicable

☐ I certify that this CDG application meets all terms and conditions of Rider N and requirements of the PSC that are adopted pursuant to its Order issued in Case 19-M-0463, as they may be amended or superseded from time to time.

Commented [RJ12]: Do we need to add any PS Case Nos?

☐ I certify that I have notified all CDG Satellites that the CDG project is participating in the Net Crediting program.

☐ I certify that I have notified all CDG Satellites of the Savings Rate submitted to the Company for use in the Net Crediting program, and that the Savings Rate will not be reduced without the affirmative consent of all affected CDG subscribers.

☐ I certify that the Anchor Satellite is a non-residential, demand billed customer with a demand of 25 kW or greater in the prior 12 months of submission to the Company of the Anchor Satellite's information.

☐ I certify that the Anchor Satellite has agreed to receive the full ~~value stack~~ credit without reduction for any CDG Subscription Fee.

Section C. Unenrollment from Net Crediting program.

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If not Unenrolling in the Net Credit Program check ☐ Not Applicable

☐ I certify that I have notified all CDG Satellites that the CDG project is unenrolling from the Net Crediting Program.

☐ I certify that I acknowledge that the CDG project cannot enroll in the Net Crediting Program for 12 months from the effective date of the unenrollment.

Section D: Signature of Authorized Representative of CDG Host

☐ To the best of my knowledge the information provided herein is accurate and no attempt has been made to misrepresent the facts.

Name of CDG Host (Please print) _____

CDG Host Utility Account Number _____

Signature _____

Date _____

Telephone _____

Email _____

Affiliation to person responsible for account (Check one)

☐ Owner ☐ Partner ☐ Agent [Attach documentation of authorization by Principal]

☐ Corporate Officer ☐ Other (specify) _____

Completed form should be uploaded to PowerClerk

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Appendix C

Value Stack Community Distributed Generation (CDG) Allocation Request Form

Commented [RJ13]: No Change- Change title of form on Web & PowerClerk.



Orange and Rockland Utilities, Inc.
390 West Route 59
Spring Valley NY 10977-5300
www.oru.com

Value Stack Community Distributed Generation (CDG) Allocation Request Form

August 4, 2020

SECTION I - Host Information				
CDG Host Account:	11111-11111	Account Name:	Customer One	
Service Address:	Name	Mailing Address:	Name	
	Company		Company	
	Address		Address	
	City, State ZIP Code		City, State ZIP Code	
Customer Contact:	First Name Last Name	Phone:	999-999-9999	
e-mail address	emailaddress@unknown.com Project Number:			

SECTION II - Member Allocation Information	
Select One (place X to select)	Initial Allocation Request: must be submitted at least 60 days prior to the CDG Host Account commencing service under the Value Stack CDG Program.
	Subsequent Allocation Request: must be submitted no less than 30 days before the CDG Host Account's cycle billing date to which the modifications apply.
	Request for Allocation of CDG Host Banked Credits: is effective for a one-time allocation only and will be executed on the CDG Host's next bill, no earlier than 15 days after receipt of this form. The most recent Initial Allocation Request or Subsequent Allocation Request , as applicable, will continue to apply to all on-going allocations.
	No Change: to be selected if there is no change to the member allocation information when submitting a CDG Savings Rate update.

	Orange & Rockland Account Number (10 digits)	Orange & Rockland Account Name	Allocation Percentage (total not to exceed 100.000%)	Anchor Satellite (Place X if selecting as anchor satellite) Note: project can only have up to one Anchor Satellite at any given time.
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
			0.000%	0

Additional lines can be added, as needed, to extend the above list to capture additional CDG member accounts. Each attached sheet must be signed and dated by the undersigned.

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SECTION III - CDG Savings Rate				
The CDG Savings Rate will be applicable to all CDG Satellites, except for the Anchor Satellite denoted above, if any. The CDG Savings Rate terms, conditions, and procedures are set forth in the Tariff, and the Company's CDG Net Crediting Manual as may be amended from time to time.				
Select One (place X to select)	☐	Not Applicable: to be selected if CDG Project is not enrolled in the CDG Net Crediting Program.		
	☐	Initial CDG Savings Rate: must be submitted at least 60 days prior to the CDG Host Account commencing service under the CDG Net Crediting Program.		
	☐	Updated CDG Savings Rate: must be submitted no less than 30 days before the CDG Host Account's cycle billing date to which the modifications apply.		
	☐	No Change: to be selected if there is no change to the CDG Savings Rate when submitting a Subsequent Allocation Request.		
CDG Savings Rate: <table border="1" style="width: 100%;"><tr><td style="height: 20px;"></td><td style="height: 20px;"></td></tr></table>				
Name: _____ Title: _____ Signature: _____ Date: _____				
SECTION IV - Accepted and Agreed				
Service to be supplied to the CDG Host will be supplied and conditioned on the CDG Host's ongoing compliance with the terms, conditions and procedures set forth in the Tariff, the Company's Community Distributed Generation Operating Procedure, and the Company's CDG Net Crediting Manual as may be amended from time to time.				
Name: _____ Title: _____ Signature: _____ Date: _____				
SECTION IV- Submission				
Completed allocation request forms should be uploaded to PowerClerk under your project. The data will be returned to you via PowerClerk once the data request has been processed.				

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Appendix D

Community Distributed Generation Net Crediting Agreement for [CDG Project Name and Identification Number]

This Agreement ("Agreement") is made this ____ day of _____, 20____, between Orange and Rockland Utilities, Inc. (the "Utility" or "O&R"), a New York corporation with a principal place of business at One Blue Hill Plaza, Pearl River, New York 10965 and _____, a community distributed generation ("CDG") sponsor (the "CDG Sponsor" or "Sponsor"), a [state] [type of legal entity] with a principal place of business at _____. The Utility and the CDG Sponsor are also individually referred to herein as a "Party" or collectively as "Parties."

Whereas, the New York State Public Service Commission ("Commission") first authorized CDG in its July 17, 2015 Order Establishing a Community Distributed Generation Program and Making Other Findings in Case 15-E-0082 to enable a broader community participation in renewable programs;

Whereas, the Commission subsequently issued its March 9, 2017 *Order on Net Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* ("VDER Transition Order") in Case 15-E-0751 which in part provided for modifications to the compensation of Distributed Energy Resources ("DERs") by creating the Value Stack compensation mechanism for eligible DERs, including CDG projects;

Whereas, the Commission's September 14, 2017 *Order on Phase One Value of Distributed Energy Resources Implementation Proposals, Cost Mitigation Issues, and Related Matters* in Case 15-E-0751 directed electric utilities subject to the Commission's jurisdiction to submit tariffs based on the Value Stack compensation mechanism developed in the VDER Transition Order;

Whereas, under the original CDG construct: the CDG Sponsor enters into a contractual arrangement with the Utility's electric customers to participate in a CDG project pursuant to which the participating customers ("Satellites") are billed monthly subscription fees by the CDG Sponsor for their participation in the CDG project per the terms of the contractual arrangement and the Utility calculates and distributes the CDG credits to each Satellite on the Satellite's electric utility bill, allocated as directed by the CDG Sponsor for the CDG project.

Whereas, on June 18, 2019, the Commission issued its *Notice Seeking Comments Regarding Consolidating Billing for Community Distributed Generation* in Case 19-M-0436, seeking input on modifying the existing CDG construct so that the CDG Sponsor would not have to separately bill the Satellites for the monthly subscription fees for a CDG project;

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Commented [RJ14]: Pending Update;
DCX
PowerClerk
Inter Dept Forms
Other Location

Whereas, the Commission’s December 12, 2019 *Order Regarding Consolidated Billing for Community Distributed Generation* (“CDG Net Crediting Order”) in Case 19-M-0463 adopted a net crediting model whereby the Utility is to calculate the participating CDG Satellites’ credits, remit a percentage of the value of such credits to the CDG Sponsor, less the Utility Administrative Fee retained by the Utility, and provide the remaining credit value on the CDG Satellites’ electric utility bills (“Net Crediting Program”), thus eliminating the need for the CDG Sponsor to separately bill the participating CDG Satellites for monthly subscription fees;

Whereas, the CDG Sponsor is a DER provider registered with the Commission with a CDG project located at _____, and identified by the Utility as _____ (the “CDG Project”);

Whereas, the CDG Sponsor wishes to enroll the CDG Project in the Net Crediting Program of the Utility;

Whereas, the CDG Sponsor attests that it has entered into valid, fully executed contracts (“Net Crediting Subscription Contracts”) with CDG Satellites who are the Utility’s electric customers for participation in the Net Crediting Program;

Whereas, the Net Crediting Order directs electric utilities to offer the Net Crediting Model for all CDG projects, both new and existing, incorporating both those existing CDG projects receiving Value Stack compensation as well as those receiving volumetric credits, this Agreement addresses only CDG projects generating Value Stack Credits;

Whereas, the Utility has established a billing process to permit the Utility to calculate the total value of the CDG Satellites’ Value Stack Credits, remit a percentage of the value of such credits to the CDG Sponsor (less the Utility Administrative Fee retained by the Utility), and provide the remaining value of such credits on the CDG Satellites’ electric utility bills, allocated as directed by the CDG Sponsor; and

Whereas, the Utility has filed tariff leaves with the Commission effectuating the Net Crediting Program per the CDG Net Crediting Order and is willing to implement the Net Crediting Program for the CDG Project, subject to the terms and conditions of this Agreement, and Commission orders.

NOW THEREFORE, the Parties hereto, each in consideration of the Agreement of the other, which the Parties agree is sufficient, do hereby agree as follows:

1. Definitions. Any capitalized terms used in this Agreement shall be defined as set forth below:

- 1.1. CDG Sponsor** is the entity that organizes, owns, and/or operates a CDG project and may be identified as the “CDG Host” in some Utility tariffs. A CDG Sponsor may be involved in one or more CDG projects and be otherwise engaged in soliciting

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customers, members, or subscribers for a CDG project or CDG projects, through its own employees or agents, on its own behalf. A CDG Sponsor must be registered with the Commission consistent with the Uniform Business Practices for Distributed Energy Resource Suppliers (“UBP-DERS”).

- 1.2. **CDG Sponsor Payment** is the payment from the Utility to the CDG Sponsor representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility Administrative Fees retained by the Utility.
- 1.3. **CDG Satellite** is an electric customer of the Utility who is participating in the CDG Project.
- 1.4. **CDG Savings Rate** is the rate used to calculate the value of the CDG Project’s monthly Value Stack Credits that will be provided by the Utility on CDG Satellites’ electric utility accounts, allocated as directed by the CDG Sponsor, where such rate shall not be less than 5 percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Customer, if applicable.
- 1.5. **CDG Subscription Fee** is the value of the CDG Project’s monthly Value Stack Credits calculated pursuant to Rider N of the Electricity Tariff by O&R and provided to the CDG Sponsor.
- 1.6. **Commission** is the New York State Public Service Commission.
- 1.7. **Confidential Information** is as defined in Sections 9.1 and 9.2 of this Agreement.
- 1.8. **Electricity Tariff** is O&R’s effective P.S.C. No. 3, Schedule for Electric Service approved by the Commission which may be amended or succeeded from time to time.
- 1.9. **Excluded Anchor Customer** is a demand-billed, non-mass market Utility electric customer with demand greater than or equal to 25kW that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Sponsor identifies as being excluded from the Net Crediting Program. If the CDG Sponsor notifies the Utility that the CDG Project has an Excluded Anchor Customer, the Utility will not apply the CDG Savings Rate to the calculation of credits to the Excluded Anchor Customer. Only one Excluded Anchor Customer may be excluded from the Net Crediting Program per CDG Project.

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1.10. Net Crediting Program is the Utility's CDG program as implemented pursuant to the Net Crediting Order where the Utility applies a portion of the CDG Project's Value Stack Credits to the CDG Satellites' electric utility accounts and remits the remainder to the CDG Sponsor, less the Utility Administrative Fee.

1.11. Net Crediting Manual is the Utility's detailed guide for implementing the Net Crediting Program. The Net Crediting Manual is maintained by the Utility.

1.12. Net Crediting Subscription Contract is the agreement between the CDG Sponsor and each CDG Satellite participating in the Net Crediting Model.

1.13. Net Member Credits are the resulting credits on the CDG Satellite's electric utility account calculated pursuant to Rider N of the Electricity Tariff, based on the CDG Project's monthly Value Stack Credits, the applicable CDG Savings Rate, the CDG Satellite's Allocation Percentages, the CDG Satellite's monthly retail charges, and the CDG Satellite's banked credits, including any banked credits allocated from the CDG Sponsor.

1.14. Representative means any contractor, subcontractor, CDG Satellite, or other entity to which Confidential Information may be transferred under this Agreement.

1.15. Utility Administrative Fee is the amount of the monthly value of the CDG Project's Value Stack Credits that the Utility will retain, as approved by the Commission.

1.16. Value Stack Credits are the credits generated from electricity generated from the CDG Project pursuant to Rider N of the Electricity Tariff.

2. Effective Date. This Agreement shall be effective upon execution by the last Party to sign with the Utility's date to commence the Net Crediting Program to be as specified in the Net Crediting Manual.

3. Term/Termination

3.1. This Agreement shall remain in effect until terminated (i) in accordance with its terms or (ii) by an order of the Commission, whichever shall occur first.

3.2. Notwithstanding anything to the contrary elsewhere in this Agreement or in the Electricity Tariff, the Utility, by written notice to the CDG Sponsor, may if permitted in a proceeding, terminate this Agreement in whole or in part with respect to the CDG Project or suspend further performance without terminating this Agreement upon the

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occurrence of any of the following: (a) the CDG Sponsor or CDG Project terminates or suspends doing business, except where such suspension is caused by Force Majeure; (b) the CDG Sponsor or CDG Project becomes subject to any bankruptcy or insolvency proceeding under federal or state law (and which proceeding is not removed or dismissed within sixty (60) days from the filing thereof), or becomes insolvent, becomes subject to the direct control of a transferee, receiver or similar authority in relation to a bankruptcy or insolvency proceeding, or (except as otherwise provided in Section 15.7) makes an assignment for the benefit of creditors; (c) the CDG Sponsor commits a material breach of any of its obligations under this Agreement with respect to the Net Crediting Program and has not cured such breach within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the breach (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days); or (d) the CDG Project is in material violation of the Utility's electric standards, including but not limited to provisions related to interconnection and safety and has not cured such violation within thirty (30) days after receipt of a written notice from the other Party specifying the nature of the violation (provided, however, that if such breach cannot be cured within thirty (30) days, the cure period will be extended as long as CDG Sponsor is pursuing diligent efforts to cure, such extended cure period not to exceed an additional thirty (30) days). Notwithstanding the aforementioned cure provisions or any other provision of this Agreement, the Utility may take immediate actions with respect to the CDG Project interconnection if deemed necessary by the Utility, in its sole discretion, to protect the safety of the public, customers, or employees, or the operation of the electric system.

- 3.3.** The foregoing notwithstanding, the CDG Sponsor may upon written notice to Utility remove the CDG Project from the Net Crediting Program. The CDG Sponsor and the Utility shall follow the process detailed in the Net Crediting Manual for removal of the CDG Project from the Net Crediting Program. The CDG Sponsor shall notify the affected CDG Satellites of the removal of the CDG Project from the Net Crediting Program.

4. Representations.

- 4.1.** The CDG Sponsor represents that it is and shall remain in compliance with all applicable laws, tariffs, regulations, and the Utility's electric standards, safety, and cybersecurity standards with respect to the CDG Project during the term of this Agreement including the Electricity Tariff.

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- 4.2. Each person executing this Agreement for the respective Parties represents and warrants that he or she has authority to bind that Party.
- 4.3. Each Party represents that (a) it has the full power and authority to execute, deliver, and perform its obligations under this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.
- 4.4. The Utility and the CDG Sponsor shall exercise all reasonable care, diligence and good faith in the performance of their duties pursuant to this Agreement and carry out their duties in accordance with applicable recognized professional standards.
- 4.5. The CDG Sponsor represents that it is registered with the Commission as provided for in the Uniform Business Practices for DER Suppliers ("UBP-DERS") and will abide by all applicable requirements in the UBP-DERS as it may be amended from time to time by the Commission.

5. CDG Sponsor Rights and Responsibilities

- 5.1. The CDG Sponsor will enroll the CDG Project and CDG Satellites in the Net Crediting Program pursuant to the Net Crediting Manual. When enrolling a CDG project in the Net Crediting Program, CDG Sponsor shall designate one CDG Savings Rate which will be applicable to all CDG Satellites for the CDG Project, with the exception of the Excluded Anchor Customer.
- 5.2. The CDG Sponsor shall provide the Utility with all information required in the Net Crediting Manual. The CDG Sponsor shall respond promptly (within no more than two (2) business days) to the Utility's requests for Net Crediting Program related data to the extent such data is required for the Utility to perform hereunder.
- 5.3. The CDG Sponsor shall handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Utility. The Utility will remain responsible for resolving Utility billing-related customer inquiries and complaints.

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- 5.4. The CDG Sponsor shall cooperate with and provide the Utility with necessary documentation relating to any transactions resulting hereunder.
- 5.5. The CDG Sponsor shall provide timely and accurate information to the Utility regarding participating CDG Satellites and any other information necessary for the Utility to perform hereunder.
- 5.6. The CDG Sponsor agrees that services rendered by the Utility shall not relieve the CDG Sponsor from any obligation to maintain records or otherwise comply with applicable laws. The CDG Sponsor agrees that it will maintain backup data and files for all information provided to the Utility as protection against loss of such information.
- 5.7. In the event that the CDG Sponsor receives a CDG Satellite subscription payment directly from the CDG Satellite, in error, the CDG Sponsor shall return such payment to the CDG Satellite.
- 5.8. The CDG Sponsor is responsible for notifying the Utility of any changes to CDG Satellite allocations in accordance with the rules and guidelines of the CDG Net Crediting Manual.

6. Utility Rights and Responsibilities

- 6.1. The Utility shall remit the CDG Sponsor Payment to the CDG Sponsor in accordance with the procedures established in the Net Crediting Manual. The CDG Sponsor Payment shall be remitted to CDG Sponsor via Automated Clearing House ("ACH"), check, or other payment form provided for in the Net Crediting Manual. Such remittance shall be performed at least monthly and shall be completed in a commercially reasonable time frame, and in any event, no later than seventy (70) days after the Utility has applied the CDG Subscription Fee to a CDG Satellite's electric utility bill.
- 6.2. The Utility shall provide Net Member Credits on CDG Satellite electric utility bills, allocated pursuant to the CDG Sponsor's directive, consistent with the Net Crediting Subscription Contract with each CDG Satellite.
- 6.3. In no event shall the aggregate value of applied net credits, CDG Subscription Fee and Utility Administrative Fee for a given billing cycle exceed the sum of value stack credits and available banked credits for that cycle.

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- 6.4. In the event the Utility is required to cancel and rebill from the CDG Sponsor or CDG Satellites, the CDG Sponsor Payment will reflect the effect of those adjustments. If the CDG Project unenrolls from net crediting and the resultant CDG Subscription Fees differ from the amount originally paid to the CDG Sponsor, the Utility will invoice/refund the CDG Sponsor for the difference.
- 6.5. The Utility will provide information to the CDG Sponsor utilizing the format, methods, and timeframes defined in the Net Crediting Manual.
- 6.6. If the CDG Sponsor identifies an Excluded Anchor Customer in the manner set out in the Net Crediting Manual, the Utility will not apply the CDG Savings Rate to the calculation of the Excluded Anchor Customer's Net Member Credit, and will provide the Excluded Anchor Customer with 100 percent of its allocation of the Value Stack Credits in accordance with the Net Crediting Manual procedures and Electricity Tariff.
- 6.7. The Utility shall be responsible for resolving Utility billing-related customer inquiries and complaints. In the case of customer inquiries to the Utility related to the CDG Sponsor, the Utility will promptly provide customers the CDG Sponsor's contact information.
- 6.8. For CDG Satellites subscribed to budget billing plans, the Utility is responsible for ensuring their Net Member Credits are subtracted from the current amount due rather than the underlying balance.
- 6.9. The Utility is responsible for updating and implementing CDG Satellite allocation lists as directed by the CDG Sponsor, in accordance with relevant rules and guidelines of the CDG program.
- 6.10. The Utility shall provide Net Member Credits to the CDG Satellites within two (2) months after the CDG Sponsor's billing cycle except in the case bi-monthly billed accounts in which case the appropriate time period would be (3) months.
7. **Utility Compensation.** To compensate the Utility for the provision of the Net Crediting Program, the Utility will retain the Utility Administrative Fee, deducted from the CDG Sponsor Payment, as described in the Net Crediting Tariff. The Utility may not retain any Utility Administrative Fee in connection with the Excluded Anchor Customer.

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8. Taxes. The Utility is not responsible for assessing or collecting any taxes on payments made to the CDG Sponsor. Nothing in this Agreement shall be construed as imposing upon the Utility the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of the CDG Sponsor.

9. Confidential Information

9.1. Except as otherwise provided herein, the Parties agree not to disclose to any third party and to keep confidential, and to cause their affiliates, officers, directors, members, employees and Representatives not to disclose to any third party and to keep confidential, any and all customer information obtained by either Party from the other relating to this Agreement (including but not limited to, all business-sensitive and competitive information disclosed by either Party to the other Party, including billing information, issues, or data associated with any customer). Information described in this paragraph 9.1 and described in paragraph 9.2 of this Section 9 is collectively referred to as "Confidential Information." Each Party will require its affiliates, officers, directors, members, employees, and Representatives to comply with this Agreement and any other agreement regarding the exchange of Confidential Information, including but not limited to the terms and conditions of an applicable Interconnection Agreement, Data Security Agreement, Professional Services Contract, General Contract Conditions, or Non-Disclosure Agreement.

9.2. In addition, each Party acknowledges that all information furnished and identified by the other Party as being confidential or proprietary information, trade secret, confidential commercial information, critical infrastructure, or other information that is confidential pursuant to state, federal or local law, regulation or rule, is and shall remain the sole and exclusive property of such other Party.

9.3. Information and data provided to the Utility by the CDG Sponsor under this Agreement shall be used by the Utility for the purposes of billing, receiving, depositing, posting, processing and remittance of CDG Satellite utility bill credits or for determining the amounts due the CDG Sponsor. Confidential Information may be disclosed by the receiving Party to its employees, agents, consultants and Representatives on a need-to-know basis only.

9.4. The receiving Party is required to destroy Confidential Information within six (6) years from the date received or the date when the information is no longer required for the operation of the Net Crediting Program, whichever occurs last, and thereafter, to

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destroy such Confidential Information or, at the request of the disclosing Party, return such Confidential Information.

9.5. The confidentiality obligations of this Article do not apply to information which: (i) is already known to the Party free of any restriction at the time it is obtained from the other Party; (ii) is subsequently learned by one Party from an independent third party free of any restriction and without breach of this Agreement; (iii) is or becomes publicly available through no wrongful act of either Party; (iv) is independently developed by one Party without reference to any Confidential Information of the other; (v) is disclosed by one Party to a third party, with the express written permission of the other Party; (vi) is disclosed to the extent required by applicable laws and regulations or by any subpoena or similar legal process (where the disclosing Party must seek confidential treatment from the appropriate court of law or regulator of competent jurisdiction and must inform the non-disclosing Party as soon as practicable to allow the non-disclosing Party to intervene and seek protection of the Confidential Information); or (vii) is disclosed pursuant to the lawful requirement or formal request of a governmental agency or a party in any regulatory proceeding, provided that if one Party is requested or, in the written opinion of its counsel, legally compelled by a governmental agency or a party in any regulatory proceeding to disclose any Confidential Information of the other Party, such party, to the extent permitted by law, agrees to provide the other Party with prompt written notice of such request so that the other Party has the opportunity to pursue its legal and equitable remedies regarding such potential disclosure. The receiving Party further agrees that if the disclosing Party is not successful in precluding the requesting legal or governmental body from requiring disclosure of the Confidential information, the receiving Party will furnish only that portion of the Confidential Information which, in the written opinion of its counsel, it is legally required to disclose, and will exercise all reasonable efforts to obtain assurances that confidential treatment will be accorded to the Confidential Information.

9.6. Each Party acknowledges and agrees that its breach or threatened breach of this Article may cause the other Party irreparable harm which may not be adequately compensated by monetary damages. Accordingly, in the event of any such breach or threatened breach by either Party, such Party agrees to the granting of equitable relief, including temporary restraining orders or preliminary or permanent injunctions, in addition to any legal remedies to which the other Party may be entitled, without proof of actual damages.

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9.7. The provisions of this Article shall survive the expiration or termination of this Agreement.

10. Resolution of Disputes between Utility and CDG Sponsor

10.1. Each Party agrees to attempt to resolve all disputes arising under this Agreement promptly, equitably, and in a good faith manner.

10.2. If the Parties fail to resolve any dispute under this Agreement within ten (10) days after written notice of the dispute, the Parties agree to submit the dispute to mediation by a mutually acceptable mediator, in a mutually convenient location in New York State, in accordance with the then current International Institute for Conflict Prevention & Resolution Procedure, or to mediation by a mediator approved by the Commission. The Parties agree to participate in good faith in the mediation for a period of up to ninety (90) days. If the Parties are not successful in resolving their disputes through mediation, the Parties may then refer the dispute for resolution to the Commission, which shall maintain continuing jurisdiction over this Agreement.

11. **Resolution of Disputes between CDG Sponsor and CDG Satellite.** The CDG Sponsor will be responsible for resolution of all inquiries and complaints related to the CDG Project in accordance with its Net Crediting Subscription Contract with CDG Satellites. The Utility will refer to the CDG Sponsor all inquiries and complaints initiated by CDG Satellites arising from or relating to the CDG Project or the Net Crediting Subscription Contract.

12. Indemnification

12.1. The CDG Sponsor shall indemnify, defend, and hold the Utility and its corporate affiliates and their respective officers, directors, trustees, employees, agents, successors, Representatives and assigns harmless from and against any and all loss, liability, damage or expense (including reasonable attorneys' fees), statutory or administrative fines or penalties or claims for injury or damages arising out of the performance of this Agreement or breach thereof by CDG Sponsor, including any claims, demands, causes of action, litigation, suits, proceedings, hearings or investigations (collectively "Claims") by a third party for payments based upon any agreement or understanding alleged to have been made by the third party, directly or indirectly, with CDG Sponsor in connection with any of the transactions contemplated by this Agreement, except to the extent caused by the gross negligence or willful misconduct of Utility.

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12.2. The obligations of this Article 12 will survive the expiration, suspension or termination of this Agreement or the Net Crediting Program.

13. Force Majeure

13.1. Neither Party shall be considered in default under this Agreement or responsible in tort, strict liability, contract or other legal theory to the other Party for damages of any description for any interruption or failure of service or deficiency in the quality or quantity of service, or any failure to perform if such failure is caused by factors beyond the Party's reasonable control that by exercise of reasonable diligence the Party is unable to prevent or overcome, including without limitation, storm, flood, lightning, earthquake, explosion, civil disturbance, labor dispute, sabotage, war, insurrection, act of God or the public enemy, action of a court, or public authority ("Force Majeure").

13.2. If any Force Majeure occurs, the Party delayed or unable to perform shall give immediate written notice to the other Party. During the pendency of the Force Majeure, the duties of the Party affected by the Force Majeure conditions shall be abated and shall resume without liability thereafter, provided that an obligation to make payments under this Agreement shall not be excused by the occurrence of an event of Force Majeure.

14. Security Interest. The CDG Sponsor shall, without further consideration and at the CDG Sponsor's expense, use all commercially reasonable efforts to take or cause to be taken, any action, including the execution and delivery of instruments and documents, reasonably requested by the Utility to establish a first priority perfected security interest in favor of the Utility in the amounts included in Value Stack Credits related to the CDG Sponsor's provision of subscription services to CDG Satellites from the CDG Project. The failure by the CDG Sponsor to fulfill any obligation of the CDG Sponsor pursuant to this paragraph shall specifically be deemed a breach of a material term or condition of this Agreement. Nothing in this Section 14 will be deemed to provide Utility with any rights to the CDG Sponsor Payment to CDG Sponsor. If an entity providing material financing to a CDG Sponsor requires the Utility to take a subordinate security interest before it will provide financing to the CDG Sponsor, the CDG Sponsor may request the Utility to take a subordinate interest. The Utility's agreement to take a subordinate security interest to the financier will not be unreasonably withheld, delayed, or conditioned. No subordination agreement by the Utility will be effective unless it is in writing and signed by both Parties.

15. Miscellaneous

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15.1. Entire Agreement. This Agreement, all Exhibits and attachments hereto and all documents referenced herein, constitute the entire agreement between the Parties and supersedes all other agreements, communications, and representations. Paragraph headings are for convenience only and are not to be construed as part of this Agreement.

15.2. Amendment. Unless otherwise provided herein, no modification of, or supplement to, the terms and provision stated in this Agreement shall be or become effective without the written consent of both Parties. If the Net Crediting Program is suspended by statute or Commission order, this Agreement will be modified in accordance with such statute or order.

15.3. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same document.

15.4. Severability. In the event that any portion or part of this Agreement is deemed invalid, against public policy, void or otherwise unenforceable by a court of law, the validity and enforceability of the remaining portions thereof shall otherwise be fully enforceable.

15.5. Change in Law. To the extent that new mandatory regulatory, legislative or accounting changes, tax law changes, other regulatory policy changes, or other events materially affect the ability of either Party to comply with the provisions of this Agreement, including but not limited to material financial consequence, managerial, mechanical or technical compliance, the Parties agree to meet and use best efforts to renegotiate the terms and conditions of this Agreement to restore the position of the detrimentally affected Party to a financially neutral position or to be able to meet the managerial, mechanical and technical requirements of compliance. Methods that the Parties may consider to restore the detrimentally affected Party's ability to comply with this Agreement shall include, but not be limited to cost recovery through rates, payment for service by the unaffected Party, technical assistance, or other assistance as may be agreed upon. Renegotiated terms and conditions shall be effective when reduced to writing and signed by both Parties. If the Parties are unable to renegotiate acceptable changes, they may avail themselves of the dispute resolution mechanism set forth in Section 10 of this Agreement, and the existing terms and conditions of this Agreement shall continue to be effective through the conclusion of such dispute resolution mechanism.

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15.6. Waiver. No waiver by any Party of any one or more defaults by the other Party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any other present or future default, whether of a like or different character. No delay by either Party in enforcing any of its rights hereunder shall be deemed a waiver of such rights.

15.7. Assignment.

15.7.1. Neither Party may assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld, delayed or conditioned, provided however that the CDG Sponsor has a right to assign (and/or collaterally assign, in connection with a financing transaction) its right to payments to be made by the Utility hereunder. The CDG Sponsor shall provide the Utility with a copy of the document in which the assignment is made or so much of the document as may be necessary to make clear the identity of the parties thereto and the terms of the assignment. The CDG Sponsor hereby waives any claim against the Utility for making payments pursuant to the assignment.

15.7.2. An assignment, transfer or other disposition of the Utility's rights and obligations under this Agreement resulting from or associated with (i) any restructuring of the assets of the Utility or (ii) any acquisition, consolidation, merger or other form of combination of the Utility by, into, or with any person or entity shall not be subject to the prior notice and consent requirements of this sub-article.

15.7.3. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement. Any assignment, transfer or other disposition of this Agreement, or any rights, duties or obligations hereunder by either Party, except as specifically permitted herein, is in violation of this sub-article and void.

15.8. Subcontracting. Each Party may subcontract all or any portion of the performance to be rendered hereunder without the express approval of the other as to the tasks to be subcontracted and the subcontractor, provided, however that each Party shall be fully responsible for the acts and omissions of its subcontractors and their agents as it is for its own acts and omissions.

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15.9. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement. Nothing contained herein shall be deemed to confer any rights or grant any remedies or give any benefit to any third party.

15.10. Relationship of the Parties. This Agreement is not intended, and shall not be construed to create any association, joint venture, agency relationship or partnership between the Parties of to impose any such obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of or otherwise bind the other Party.

15.11. Governing Law. This Agreement is governed by the laws of the State of New York without regard to the doctrines governing choice of law. All disputes arising hereunder shall be brought either before the Commission the state courts of the State of New York, or a federal court located in the State of New York.

15.12. Construction. In the event of any conflict between the provisions of this Agreement and the provisions of the Electricity Tariff, the applicable provisions of the Electricity Tariff shall apply.

15.13. Notices. Except as otherwise provided herein, any notices given under this Agreement shall be in writing and shall be delivered to the recipient Party at the address set forth in Exhibit A, by hand or sent by (a) certified mail, return receipt requested, first class postage prepaid, or (b) nationally recognized courier service. Notices given hereunder shall be deemed to have been given upon receipt or refusal to receive. The address to which such notices shall be given by either Party may be changed by written notice given by such Party to the other Party pursuant to this sub-article.

15.14. Other Remedies. Nothing contained herein shall be construed as a limitation on the right of either Party to pursue any remedy it may have at law or in equity.

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

CDG SPONSOR: _____

Name (Print): _____

Signature: _____

Title: _____

Date: _____

ORANGE AND ROCKLAND, UTILITIES, INC.

Name (Print): _____

Signature: _____

Title: _____

Date: _____

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EXHIBIT A

All notices and information addressed to the Utility shall be addressed as follows:

Orange and Rockland Utilities, Inc.
390 West Route 59
Spring Valley, New York 10977
Attn:

All notices and information addressed to the CDG Sponsor shall be addressed as follows:

_____.

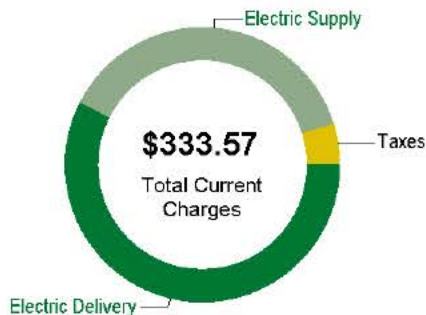
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Appendix D – Sample Volumetric Net Crediting Bills



284 SOUTH AVENUE
POUGHKEEPSIE NY 12601-4839
www.CentralHudson.com

Service For:



Account Number: [REDACTED]
Customer Number: [REDACTED]

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Contact Us

Email, "live chat" and other options: CentralHudson.com/ContactUs
Report an outage: CentralHudson.com, 845-452-2700 or text OUT to 236483
Natural gas odors: Call 911 or 1-800-942-8274
Fallen wires and other electrical hazards: Stay at least 30 feet away and call 911

Bill Summary

Previous Billed Amount	\$53.23
Payment Since Last Bill - THANK YOU!	\$-53.23
Current Electric Charges	\$333.57
Billing Adjustments	\$-33.36

Total Amount Due Now

\$300.21

Current Billing Period	Sep 02, 2023 - Oct 04, 2023
Late Charges Added After	Nov 01, 2023
Next Scheduled Reading Date	Nov 01, 2023
	This Year Last Year
Electric Usage	1,523 kWh 1,374 kWh
Heating Degree Days	116 144

Ways to Pay



ONLINE:
CentralHudson.com/MyAccount



MOBILE APP:
Download at CentralHudson.com/MobileApp



TEXT MESSAGE: Text PAY to 236483



PHONE: 845-452-2700 or 800-527-2714



See back for details and other options.

Billing details on page 3 ▶

Please return this stub and make checks payable to Central Hudson

Account Number



Amount Due Now

\$300.21

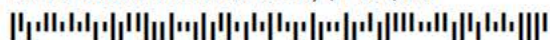
Late Charges Added After

11/01/2023

\$

Amount Enclosed

To contribute to the Good Neighbor Fund
add a whole dollar amount, \$1 to \$10.



Central Hudson Gas & Electric Corporation
284 South Avenue
Poughkeepsie, NY 12601-4839

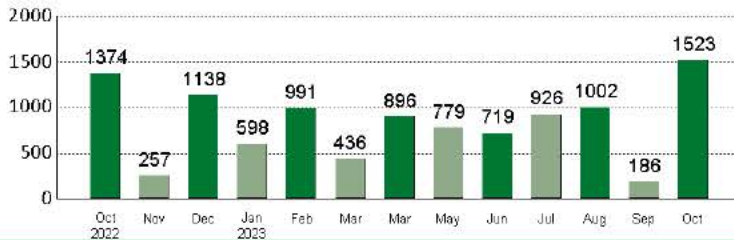


Meter # [REDACTED] Residential Service
 POD ID: [REDACTED]

Electric Usage

Actual

Estimated



Electric Service Charges 1,523 kWh at a cost of \$333.57
 Average Daily Cost for Electric \$10.1082

Amount of Electricity Used

10/04/2023	Present Reading (actual)	8987
09/02/2023	Previous Reading (estimated)	7464

Electricity Used (kWh) 1523

Cost for Electricity Used (for 1.0 months)

ENERGY DELIVERY CHARGES:

Basic Service Charge	1.0 Mos. @	19.50000	19.50
Delivery Svc Chg	1523 kWh @	0.10546	160.62
MFC Admin Chg	1523 kWh @	0.00142	2.16
Transition Adj	1523 kWh @	0.00010	0.15
Bill Credit	1523 kWh @	-0.00675	-10.28
SBC/RPS Chgs	1523 kWh @	0.00639	9.73
Misc. Charges	1523 kWh @	0.01077	16.41
RDM Chg	1523 kWh @	0.00006	0.09

Total Delivery Charges 198.38

ENERGY SUPPLY CHARGES:

(You may choose another supplier for this part of your service)

MFC Supply Chg	1523 kWh @	0.00337	5.13
Market Price	1523 kWh @	0.09353	142.44
Market Price Adj	1523 kWh @	-0.01150	-17.52

Total Supply Charges 130.05

NYS & Local Taxes 5.14

TOTAL ELECTRICITY COST \$333.57

For this billing period, the average cost of energy we purchased for you was \$0.08539 per kWh (excluding taxes). You can use this number to compare our price to other suppliers' prices.

Payments and Adjustments

CDG Subscription Dr	10/06/2023	\$300.21
Community Distrib Generation Cr	10/06/2023	\$-333.57
Payment Received	09/18/2023	\$-53.23

Message Center

What's New ...

MOVE WITH EASE! Do you need to start, stop, or transfer your Central Hudson service to a new address? Our latest website upgrade lets you start, stop, or transfer your service with ease - no more phone calls, no more waiting. Visit the account resources moving page at www.CentralHudson.com to take control of your service.

Did you know?

As we work on our plan to implement monthly meter reads, you can avoid estimated readings now by submitting your own online. It's easy - take a photo of your electric and/or gas meter and upload it on our app or through My Account on the website. Submit only during months you would receive an estimate. www.CentralHudson.com/MeterReading.

MOVING?
 START, STOP OR TRANSFER YOUR
 SERVICE ONLINE IN JUST MINUTES

Our latest website upgrade puts YOU in control of your utility service like never before. Now you can start, stop, or transfer your service with just a few clicks — no more phone calls and no more waiting.

Visit our website today and take control of your energy service. We're here to make your life easier, one click at a time!

www.CentralHudson.com/Moving



Current balance due

\$326.37**Direct Pay**
05/02/23**Your bill breakdown****Last billing period****Your billing summary as of Apr 20, 2023**

Your previous charges and payments

Total charges from your last bill

\$637.98

Payments through Apr 18, thank you

-\$393.97

Balance from previous bill**\$244.01****Your new charges**

Billing period: Mar 21, 2023 to Apr 18, 2023

Esco electricity supply charges - for 28 days

\$26.54

Con Edison electricity charges

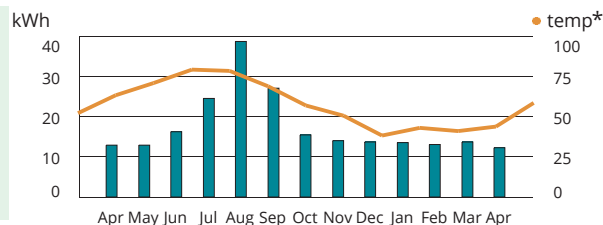
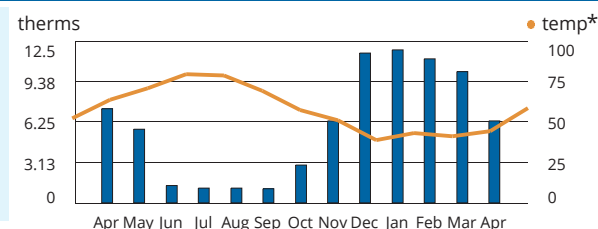
\$68.99

Gas charges - for 28 days

\$457.63

Adjustments

-\$470.80

Total from this billing period**\$82.36****Total amount due****\$326.37****Direct Payment Plan - The amount of \$326.37 will be automatically deducted from your bank on May 2, 2023.****Next billing date: Wednesday, May 17, 2023****Your average daily electric usage****12.25 kWh****Your average daily gas usage****6.36 therms****Messages For You**

We're here to help. If you have trouble paying your bill, a few minutes is all it takes to set up a payment plan. *Need a few more days to pay your bill? No problem.* Visit conEd.com/PaymentPlans to schedule an extension, enroll in a payment agreement and manage your energy bill online.

ADJUSTMENT INFORMATION

The "adjustments" amount includes a bill credit of \$470.80, which is the result of energy produced via on-site private generation, or via a 3rd party subscription to an offsite or community distributed generation project. Log on to www.coned.com to view your latest account balance, including

any bill credits that may have been applied to your account since this invoice was generated.

Do you depend on electric powered Life Support Equipment, such as a respirators (iron lung), apnea monitors (infant monitor), or hemodialysis equipment (kidney machine)? Please let us know so we can contact you in case of an emergency or power outage. Visit coned.com/LifeSupportEquipment or call: 1-877-582-6633.

VISIT MY ENERGY CALCULATOR

Visit www.coned.com/customercentral and select My Energy Calculator. Then, use the calculators to estimate your savings when you "go green" and conserve energy.

Questions? Contact Us: conEd.com/ContactUs **1-212-243-1900 or 1-800-752-6633**

PO Box 1702
New York, NY 10116-1702**Your Energy Bill****Direct Pay**
05/02/23**\$326.37****The amount of \$326.37 will be automatically deducted from your bank on May 2, 2023.****Direct Payment Plan**
Do not mail a payment

Your electricity breakdown Rate: EL1 Residential or Religious



Electric Meter Detail - billing period from Mar 21, 2023 to Apr 18, 2023 (28 days)

Meter #	New Reading	Reading Type	Date	Prior Reading	Reading Type	Date	Reading Diff	Total Usage
009508378	40050	Actual	Apr 18, 23	39707	Actual	Mar 21, 23	343	343 kWh

Your Supply Charges

28 day billing period from Mar 21, 2023 to Apr 18, 2023

Customer charge	\$0.00
Supply 343 kWh @7.5120¢ per kWh	\$25.77
Sales tax @3.0000%	\$0.77

Total electricity supply charges \$26.54

Supplier: CONSTELLATION NEW ENERGY, INC.

Phone: 1-888-825-0700

Messages from your electricity supplier:

NEW! Login to My Account at coned.com for a new ESCO bill comparison tool!
Your community participates in the Westchester Power aggregated electricity purchasing program administered by Sustainable Westchester and benefits from competitive fixed rates and renewable energy options from Constellation. Thanks for helping to build a clean energy future for Westchester! Visit westchesterpower.org or call our Mount Kisco office at (914) 242-4725 for more information about this and other Sustainable Westchester programs.

Your Delivery Charges

Basic service charge	\$15.87
Delivery 343 kWh @13.0758¢/kWh	\$44.85
System Benefit Charge @0.5190¢/kWh	\$1.78
GRT & other tax surcharges	\$3.52
Sales tax @4.5000%	\$2.97

Total electricity delivery charges \$68.99

Your gas breakdown Rate: GS3 Residential or Religious Heating



Gas Meter Detail - billing period from Mar 21, 2023 to Apr 18, 2023 (28 days)

Meter #	New Reading	Reading Type	Date	Prior Reading	Reading Type	Date	Reading Diff	Usage in ccf
5678	5678	Actual	Apr 18, 23	5504	Actual	Mar 21, 23	174	174 ccf

Therm conversion factor 1.025

Total Gas Use 178 therms

Your Supply Charges

Supply 178 therms @63.1573¢/therm	\$112.42
Merchant function charge	\$3.72
GRT & other tax surcharges	\$3.59

Total gas supply charges \$119.73

Your total gas supply cost for this bill is 67.2¢ per therm. You can compare this price with those offered by energy services companies (ESCOs). For a list of ESCOs, visit PowerYourWay.com or call 1-800-780-2884.

Your Delivery Charges

Basic service charge (includes first 2.8 therms)	\$22.21
Remaining 175.2 therms @109.5662¢/therm	\$191.96
Monthly rate adjustment @48.7978¢/therm	\$86.86
System Benefit Charge @0.0056¢/therm	\$0.01
GRT & other tax surcharges	\$17.15

Total gas delivery charges \$318.19

Your sales tax

Sales tax @4.5000% \$19.71

Total sales tax \$19.71

Your gas total \$457.63

How to get in touch with us

Email or chat: conEd.com/ContactUs

Phone: 1-800-752-6633

Mail: Con Edison, PO Box 138, New York, NY 10276-0138

Ways to pay your bill

- Auto Pay:** Pay your bill automatically from your checking or savings account at no charge. Enroll at conEd.com/MyAccount or call 1-212-243-1900.
- Online:** Pay at conEd.com/MyAccount using your bank account, credit card or debit card at no charge.
- App:** Download the Con Edison app from the App Store or Google Play Store.
- Phone:** Pay by phone at 1-888-925-5016 using your bank account, credit card or debit card at no charge.
- In Person:** Our walk-in centers are open Monday through Friday from 8.30 a.m. to 5 p.m.

Bronx: 1775 Grand Concourse
Brooklyn: 345 Jay Street
Manhattan: 122 East 124th Street
Queens: 89-67 162nd Street
Staten Island: 1140 Richmond Terrace
Westchester: 1 Bogopa Plaza

- Mail:** Send a check or money order, payable to Con Edison, using the envelope provided to authorize us to make a one-time electronic fund transfer from your account or to process the payment as a check. You will not get the check back. Do not send cash.

Con Edison
 PO Box 1702
 New York, NY 10116-1702



Save a stamp. Pay your bill online at
ConEd.com/MyAccount



Go Paperless!
Scan the QR Code with your smart device or
visit conEd.com/MyAccount to enroll in eBill

Questions? Call toll free 1-800-75-CONED (1-800-752-6633)

Understanding your bill

Basic service charge (Electric): Charge for basic system infrastructure and customer-related services, including customer accounting, and metering services.

Basic service charge (Gas): Charge for basic system infrastructure and customer-related services, including customer accounting and metering services.

Billing charges: These charges are for the electricity and gas you need (supply) and getting the electricity and gas to you (delivery). Rates are based on a 30 day period. When your billing period is more or less than 30 days, we prorate your bill accordingly.

Delivery: Charge for maintaining the system through which Con Edison delivers electricity to you.

Gas Supply: Charge for the gas supplied to you by Con Edison.

GRT & other tax surcharges: Taxes on Con Edison gross receipts from sales of utility services and other tax surcharges.

Merchant Function Charge (Electric and Gas): Charge associated with procuring electricity and storing natural gas, credit and collection related activities and uncollectible accounts.

Monthly rate adjustment: Adjustment for miscellaneous costs and credits, and from October through May, for the effect of variation from normal weather.

Remaining: Charge for maintaining the system through which Con Edison delivers gas to you.

Sales tax: Tax collected on behalf of New York State and/or your locality.

System Benefit Charge (Electric): The System Benefits Charge recovers costs associated with clean energy activities conducted by the New York State Energy Research and Development Authority (NYSERDA) and energy efficiency programs implemented by the Company.

System Benefit Charge (Gas): The System Benefits Charge recovers costs associated with energy efficiency programs implemented by the Company and the New York State Research and Development Authority (NYSERDA).

Temperature Data* Source: Central Park Weather station

Oct 27, 2022 to Nov 29, 2022

ACCOUNT NUMBER

PLEASE PAY BY

AMOUNT DUE

Apr 12, 2023

\$ 407.81

www.nationalgridus.com

CUSTOMER SERVICE

1-800-642-4272

GAS EMERGENCIES

1-800-892-2345

(Does not replace 911 emergency medical service)

OUTAGE AND ELECTRIC EMERGENCIES

1-800-867-5222

CORRESPONDENCE ADDRESS

300 Erie Blvd West
Syracuse, NY 13202

DATE BILL ISSUED

Mar 17, 2023

ACCOUNT BALANCE

Previous Balance	256.22
Payment Received	No payments have been received during this billing period - 0.00

Balance Forward	256.22
Current Charges	+ 151.59

Amount Due ▶ \$ 407.81**DO NOT PAY.** Your Automated Payment Transfer will occur on April 4, 2023.

This bill reflects a previously billed balance that was not deducted from your bank account. We have included both your previous bill and current amount on this bill.

SUMMARY OF CURRENT CHARGES

	DELIVERY SERVICES	SUPPLY SERVICES	OTHER CHARGES/ADJUSTMENTS	TOTAL
Electric Service	18.37	0.00		18.37
Other Charges/Adjustments			133.22	133.22
Total Current Charges	\$ 18.37		\$ 133.22	\$ 151.59



National Grid buys low cost energy and receives a Residential Consumer Discount monthly payment from the New York Power Authority (NYPA) to be used as a benefit for residential customers. This bill reflects a savings of \$ 0.99 from these benefits.

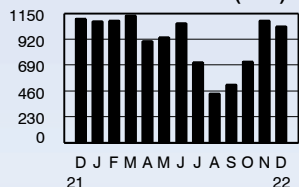


Tougher Penalties Help Protect Utility Workers: New York State has new laws in place to help better protect our field workers who face a number of challenges. Now, any action by a member of the public that prevents a utility worker from performing their job, or causes the worker physical injury, is considered a felony.



Payment concerns? We are here to help. To learn about solutions to help you take control of your energy use and bills, visit www.ngrid.com/billhelp.

ELECTRIC USAGE HISTORY (kWh)



Daily Averages	Dec 21	Dec 22
kWh	33.6	31.5
Cost	\$ 2.97	

■ Actual □ Estimated

KEEP THIS PORTION FOR YOUR RECORDS.

RETURN THIS PORTION WITH YOUR PAYMENT.

ACCOUNT NUMBER

PLEASE PAY BY

AMOUNT DUE

Apr 12, 2023

\$ 407.81

nationalgrid

300 Erie Blvd West
Syracuse NY 13202-0960

000796

Please do not mail payment

Your account is set up for automatic payment. Thank you .



SERVICE FOR
[REDACTED]
[REDACTED]

BILLING PERIOD
Oct 27, 2022 to Nov 29, 2022

ACCOUNT NUMBER [REDACTED]
PLEASE PAY BY
Apr 12, 2023

AMOUNT DUE
\$ 407.81

Enrollment Information

To enroll with a supplier or change to another supplier, you will need the following information about your account:

Loadzone Capital
Acct No: [REDACTED] Cycle: 2, UNGE

Electric Usage History

Month	kWh	Month	kWh
Dec 21	1110	Jul 22	720
Jan 22	1087	Aug 22	441
Feb 22	1093	Sep 22	521
Mar 22	1137	Oct 22	726
Apr 22	909	Nov 22	1089
May 22	942	Dec 22	1038
Jun 22	1067		

Choosing an Energy Supplier You can choose who supplies your energy. No matter which energy supplier you choose, National Grid will continue to deliver energy to you safely, efficiently and reliably. We will also continue to provide your customer service, including emergency response and storm restoration. National Grid is dedicated to creating an open energy market that lets you choose from a variety of competitive energy suppliers, who may offer different pricing options. For information on authorized energy suppliers and how to choose, please visit us online at ngrid.com/uny-energychoice

Notice About Electronic Check Conversion

By sending your completed, signed check to us, you authorize us to use the account information from your check to make an electronic fund transfer from your account for the same amount as the check. If the electronic fund transfer cannot be processed for technical reasons, you authorize us to process the copy of your check.

[REDACTED]
[REDACTED]
[REDACTED]

DETAIL OF CURRENT CHARGES

Delivery Services

Service Period	No. of days	Current Reading	-	Previous Reading	=	Total Usage
Oct 27 - Nov 29	33	44124 Actual		43086 Actual		1038 kWh
METER NUMBER	NEXT SCHEDULED READ DATE ON OR ABOUT Mar 31					
RATE	Electric SC1 Non Heat					
Accumulated kWh				-314 kWh		
Transfer kWh from Host				-417 kWh		
Transfer Retained kWh from Host				-465 kWh		
Current Bill Period kWh				1038 kWh		
Carryover kWh				-158 kWh		
Net Metering Adjustment Factor				0.14305169		
Basic Service (not including usage)						17.33
Delivery	0.07464	x	1038 kWh			77.47
Community Net Metering Adjustment						-73.23
SBC	0.005203	x	1038 kWh			5.40
Legacy Transition Chrg	0.000726	x	1038 kWh			0.75
RDM	-0.00604	x	1038 kWh			-6.27
Transmission Rev Adj	-0.00397	x	1038 kWh			-4.12
Tariff Surcharge	3.09278 %					0.52
Sales Tax	3.0 %					0.52
Total Delivery Services						\$ 18.37

www.nationalgridus.com



We understand the impact of rising household expenses and can help you manage your energy bill, save energy and find assistance with our **Customer Savings Initiative.**

ngrid.com/heretohelp

Entendemos el impacto del aumento de los gastos domésticos y, con nuestra Iniciativa de ahorro para clientes, podemos ayudarlo a gestionar su factura de energía, ahorrar energía y encontrar asistencia.

ngrid.com/heretohelp



Supply Services

SUPPLIER National Grid

Electricity Supply	0.08952	x	1038 kWh	92.92
Community Net Metering Adjustment				-75.25
Merchant Function	0.00156885	x	1038 kWh	1.63
ESRM	-0.018596	x	1038 kWh	-19.30
Total Supply Services				\$ 0.00

Other Charges/Adjustments

CDG Subscription Fee	133.63
Paperless Billing Credit	-0.41
Total Other Charges/Adjustments	\$ 133.22

► For Your Information

The following charges are already included in the "Delivery Services" portion of your bill. If you were to choose an alternate supplier, billing charges may be included, instead, in that supplier's charges.

Billing Services

Billing	0.82
Total Billing Services	
	\$ 0.82

For Your Information

We want you to easily understand your bill, the terms we use and the charges that appear. Following is a brief explanation of items that appear on your bill, as well as payment programs and billing services we offer. If you have questions or want more detailed explanations, please visit our website at www.nationalgrid.com or call 1-800-642-4272.

Paying Your Bill/ Payment Options

• **DirectPay:** If you choose, National Grid will automatically withdraw your monthly bill payment from your checking or savings account. You will avoid the inconvenience of check writing, stamps, mailing and due dates. Your service bill will indicate your energy usage and the date of your next automatic withdrawal.

• **By Mail:** Send us your payment in the envelope provided with your bill. For your protection, please do not send cash. Put your 10-digit account number on your check or money order and include your bill stub. Please do not staple or paper clip your check to the stub.

• **In Person:** Pay at an authorized payment location by cash or check. Please bring your bill with you. Most locations charge a fee for providing this service. For the payment locations nearest you, visit our website or contact us.

• **Online:** Enroll online to receive and pay your bill online. The online function will begin with the next billing cycle following your enrollment.

• **Late Payment Charge:** To avoid Late Payment Charges, your payment must be received by the date shown on the front of the bill.

Charges

Charges for electric or gas service are based on rates or prices approved by the New York State Public Service Commission (PSC). When changes in prices are approved by the PSC, information will be included with your bill. Complete price schedules are available on our website or by contacting us. National Grid reserves the right to upwardly adjust a previously issued bill or back bill.

Basic Service: A charge to cover costs for meter reading, billing, equipment and maintenance. This charge is the same regardless of how much energy is used during the billing period.

Tariff Surcharge: New York State and many local municipalities impose taxes on National Grid's revenue. These operating costs are recovered through a tariff surcharge applied to all rates and charges and may vary among taxing municipalities within the National Grid system area.

Sales Tax: In some areas National Grid is required to collect state and local sales taxes. Some school districts also impose taxes.

Billing Credits

Paperless Billing Credit: A credit provided to Customers who elect to receive their bills electronically through the Company's Online Bill-Pay Program.

Outage Credit : A credit issued by the company in the event of a prolonged electric service outage

Energy Measurement Terms

kWh: The unit of electricity usage measured by your meter. One kilowatt-hour(kWh) is 1000 watts-hours, and will light a 100-watt bulb for 10 hours. The number of kWhs is used to determine the electricity charges on your bill.

Meter Multiplier: Due to their design, some meters record a fraction of the total usage. The multiplier is used to convert the recorded meter reading on these types of meters to total actual consumption.

Electric Service

Delivery: National Grid's charges for bringing electricity from your supplier to your premise, regardless of supplier. Included, when applicable, are the following surcharges: Earnings Adjustment Mechanism, Dynamic Load Management, Non-Wires Alternative, Clean Energy Standard Delivery, Value of Delivery Energy Resources and Reliability Services Surcharge.

Merchant Function Charge: A charge for the Company's cost to procure electricity supply. The Company will not bill you this charge if you choose an alternate supplier.

Legacy Transition Charge (LTC): : All delivery service customers are billed the cost or benefit of electricity supply contracts the Company entered prior to June 1, 2001. Residential customers also receive the benefit of low cost hydropower and a discount payment from the New York Power Authority.

Customer Benefit Contribution (CBC): Monthly \$/kW DC installed-capacity charge assessed to customers that install eligible generation assets after January 1, 2022 intended to collect certain public benefit program costs from these customers.

SBC: These charges reflect costs associated with mandated public policy programs, such as the Clean Energy Fund.

Clean Energy Delivery : Charges associated with Clean Energy Standard program costs.

Revenue Decoupling Mechanism ("RDM") : Reconciles actual billed delivery service revenues to annual target revenues. Delivery service revenues above target are refunded to customers. Target revenues above actual delivery service revenues are collected from customers.

Transmission Revenue Adjustment: Reconciles wholesale transmission service revenue to the forecasted transmission service revenue embedded in electric delivery rates. Transmission service revenues above those forecasted are credited to customers. Forecast revenues above actual revenues are collected from customers.

Electricity Supply: The price of electricity supply used during the billing period. If you choose an alternate supplier, the price will be what you agree upon with that supplier.

Electricity Supply Reconciliation Mechanism (ESRM): Reconciles National Grid's electricity supply service revenues to the cost of Company purchased electricity, including Clean Energy Standard costs. Costs above revenues are recovered from customers. Revenues above costs are credited to customers.

Estimating Your Usage

When we are unable to obtain a reading, we estimate your usage based on your past usage, taking current weather conditions into account. Because our meters keep a continuous record of usage, any difference between estimated and actual usage is reconciled with the next meter reading. To avoid estimated readings, you can take your own reading on or just before the scheduled date shown on your bill and call it in at 1-888-932-0301.

Payment Programs

National Grid has a number of payment programs and billing services to meet the varied needs of our customers.

• **Budget Plan:** Helps customers avoid high seasonal payments by spreading the cost for utility service over the entire year.

• **Bill Extender:** Gives eligible customers extra time to pay their monthly National Grid bill.

• **Deferred Payment Agreement:** Designed for customers who have fallen behind on their payments and cannot pay their bill in full.

• **Hospitalized Customer Assistance Plan:** Allows customers temporarily disabled due to hospitalization to extend payment of their National Grid bill 30 days from the day it is due.

For more information, visit us at: www.national-grid.com or call 1-800-642-4272

Customers with problems paying their National Grid bill should call 1-800-443-1837.



Account Number: [REDACTED]

Statement Date: September 27, 2023

Amount Due: \$73.00

Service Address: [REDACTED] CORNING NY 14830
Next Scheduled Read Date: On or about November 22, 2023

Account Summary

Previous invoice	\$18.27
Payments received as of 09/26/23	-18.27
Balance forward	0.00
Energy charges	75.48
Miscellaneous charges	-2.48
Payment due upon receipt.	\$73.00

To avoid a 1.5% late payment charge, please ensure payment is received by the date displayed below.

Residential
Residential consumer discount \$ 0.07
See details beginning on page 3
See messages on page 2

Think of the minutes, money and natural resources you'll save by doing business online or by phone 24/7.

- Visit nyseg.com to:
- View and pay your bill online
 - Submit and view meter readings
 - Enroll and manage budget billing
 - Enroll in Autopay

Call our self-service line at **1.800.600.2275** for billing information, provide a meter reading and to pay by phone.

Add \$1, \$2, or \$5 to your payment to make a tax-deductible donation to NYSEG and RG&E Project SHARE Heating Fund. Learn more at nyseg.com.

Please return bottom portion with your payment. Make checks payable to NYSEG.



NYSEG
P.O. BOX 847812
BOSTON, MA 02284-7812

[REDACTED]
CORNING NY 14830

Account Number
[REDACTED]
Late Fee After
10/20/23
Due Upon Receipt
\$73.00
Amount Paid
\$

Please do not write below this line.

00 [REDACTED] 00000073000000007300

Messages

The NYSEG price for providing electricity supply during this billing period was \$0.07484848/kwh which includes a Merchant Function Charge of \$0.0030/kwh. If you decide to shop for electricity supply, you can compare this information with prices offered by energy services companies (ESCOs). You could achieve some tax savings if you switch to an ESCO. Additionally, if the ESCO includes its charges on your NYSEG bill, you would not have to pay NYSEG's bill issuance charge. If you buy electricity from an ESCO, NYSEG will continue to deliver the electricity to you and you will continue to pay NYSEG for delivery, transition and basic service charges.

Having trouble managing your monthly energy bill? We can help! We offer payment plans if you need more time to make payments, and now offer eligible customers payment agreements online. Visit nyseg.com/MyAccount. You may also be eligible for assistance. Learn more at nyseg.com/HelpWithBill.

If you are planning a project that requires digging, protect yourself and others from injury, and prevent damage to underground utility lines. Please contact UDig NY at UDigNY.org or call 811 between two and 10 days before you start to dig.

Receive bills based on your actual energy use by submitting your meter reading using our Mobile App - even in hard-to-read places with our flashlight feature! Learn how by watching our video at nyseg.com.

Manage your account anytime, anywhere with our FREE Mobile App. You can view and pay your bill, enroll in eBill and AutoPay, report an outage, submit a meter read, and more! Text APP to 697348 and we'll send you a link to download the app.

Contact Information

Service or billing questions:
1.800.572.1111, 7 a.m. to 7 p.m., (M-F)
Payment arrangements:
1.888.315.1755, 7 a.m. to 7 p.m., (M-F)
Self service line:
1.800.600.2275, 24 hours a day
Power interruptions or emergencies
1.800.572.1131, 24 hours a day
Natural gas emergencies or if you smell gas:
1.800.572.1121, 24 hours a day
Hearing/speech impaired (TTY):
Dial 711 (New York Relay Service)

Electronically:
Use our "Write to NYSEG" form at nyseg.com

By mail:
NYSEG Customer Service
P.O. Box 5240
Binghamton, NY 13902-5240

Payment address:
NYSEG
P.O. Box 847812
Boston, MA 02284-7812

Mailing Address Changes

Please mark with an "X" for address and telephone changes.

☐

Street: _____ Apt: _____

City: _____

State: _____ ZIP: _____

Home Phone: _____

Alternate Phone: _____

Autopay

To sign up for Autopay, where we deduct your bill amount from your checking account 23 days after we mail your bill, please mark with an "X" and provide the following:

☐

Name: _____
(as it appears on bank statement)

9-Digit Routing Number: _____

Bank Account Number: _____

Name of Bank: _____

Signature: _____ Date: _____

For program terms and details, visit nyseg.com/eft-terms

Service Address: [REDACTED] CORNING NY 14830

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NYSEG DETAILED ACCOUNT ACTIVITY

 Electricity Service - Residential

Electricity Rate - 12001 NYSEG Supply Service

Service from: 08/26/23 - 09/26/23

PoD ID: N01 [REDACTED]

Meter Number		Current Meter Read Date Reading		Previous Meter Read Date Reading		Reading Difference	Billed Usage	Billing Period
[REDACTED]		09/26/23	26560 A	08/26/23	26131 E	429	429 kwh	32 days
Type of read: A - Actual, E - Estimate, C - Customer, R - Remote and N - No read								
Period End Date	Prior Excess CDG Generation	Current CDG Generation		CDG Generation Applied		Remaining CDG Generation		
09/26/23	3711 kwh	928 kwh		710 kwh		4210 kwh		

Electricity Delivery Charges

Basic service charge					17.00
Delivery charge	429	kwh	@	0.05095	21.86
Transition charge	429	kwh	@	0.00462411	1.98
Revenue decoupling mech	429	kwh	@	-0.000816	-0.35
SBC charge	429	kwh	@	0.00468	2.01
Subtotal Electricity Delivery					\$42.50

Electricity Supply Charges

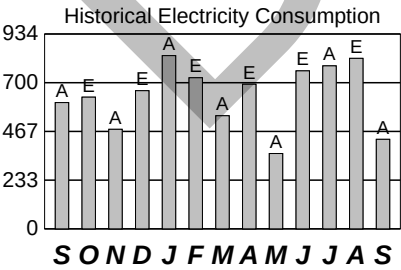
Supply charge	429	kwh	@	0.07189111	30.84
Merchant function charge - Aug	80	kwh	@	0.002859	0.23
Merchant function charge - Sep	349	kwh	@	0.002983	1.04
Subtotal Electricity Supply					\$32.11

Electricity Taxes and Surcharges

Taxes on delivery charges @ 2.0408%	0.87
Subtotal Electricity Taxes and Surcharges	\$0.87

Total Electricity Cost	\$75.48
Total Energy Charges	\$75.48

Usage Chart Information



Electricity Daily Average Comparisons

Billing Period	Average Daily Use	Average Daily Temp
Sep-23	13 kwh	64° F
Sep-22	21 kwh	66° F

Miscellaneous Charges

09/27/23	CDG generation credit	-57.61
09/27/23	CDG subscription fee	54.73
09/27/23	Taxes on delivery credit	-0.52
09/27/23	Payment & billing svcs charge	0.90
09/27/23	Payment & billing svcs GRT	0.02
Total Miscellaneous Charges		\$-2.48

Service Address: [REDACTED], CORNING NY 14830

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Terms and Definitions

Delivery charge: what you pay NYSEG to transport energy to your home or business.

Supply charge: what you pay for the energy purchased for you by NYSEG or a supplier other than NYSEG.

Payment & billing services charge: the cost to produce and send you (electronically or paper) a bill and process payments. Customers who use an energy supplier (also known as an energy services company or ESCO) other than NYSEG will not be assessed this charge by NYSEG if their ESCO's supply charges appear on their NYSEG bill, however, their energy supplier may charge a similar fee.

Payment & billing service GRT: Gross Receipts Tax collected by New York State and/or local municipalities. Rate varies depending on your town, village or city.

Basic service charge: includes a portion of the cost of the meter, meter reading, billing and part of the cost for delivery service. Appears on your bill whether or not you use any electricity or natural gas during the billing period.

Kilowatt-hours (kwh): measure of electricity use.

Residential consumer discount: monthly payment received from the New York Power Authority (NYP&A) to be used for the benefit of residential customers. It is included in the Transition Charge.

ccf (hundreds of cubic feet): measure of volume of natural gas used. You are charged based on therms, the energy (heat) content of natural gas.

Merchant function charge: reflects the administrative costs of obtaining electricity and natural gas supply. Customers with a supplier other than NYSEG are not charged by NYSEG for this service.

System Benefits Charge (SBC): a state mandated charge for all electric and natural gas customers. The SBC is used to fund clean energy activities conducted by NYSERDA.

Revenue decoupling mechanism: a charge or credit on your bill that reflects the difference between forecast and actual delivery service revenues by service classification to encourage the promotion of energy efficiency and renewable technologies.

Weather adjustment: moderates natural gas bills during any extreme weather between October 1 and May 31. If temperatures during the billing period are colder than normal, customers typically receive a credit; if temperatures are warmer than normal, customers receive a charge.

Meter Mult (Meter Multiplier): when the actual amount of energy you use is more than can be registered on the meter, the meter displays a fraction of your actual use. A multiplier is then applied to determine your actual energy use. When a multiplier is used, it will be shown in the "Meter Mult" box under the "NYSEG Detailed Account Activity" section of your bill.

Transition charge/surcharge: reflects the costs of making the electricity and/or natural gas industry more competitive; includes associated credits and/or charges. For electricity, this charge also collects the cost for programs such as: Value of Distributed Energy Resources (VDER) Value Stack Credits, Distribution Load Relief Programs, Rate Adjustment Mechanism (RAM), Non-Wire Alternatives (NWA), Earnings Adjustment Mechanism (EAM), Electric Vehicle (EV) Make Ready Surcharge and Energy Storage Deployment Cost Recovery. For gas, this surcharge also collects costs for the Rate Adjustment Mechanism (RAM), Earnings Adjustment Mechanism (EAM), and Non-Pipe Alternative (NPA).

Prorated bills: calculated by determining your average daily energy cost and multiplying it by the number of days in your billing period. Prorated bills are used only when your billing period is shorter or longer than usual.

Pay your bill by mail, at nyseg.com, by downloading our Mobile App, using our automated phone system at 800.600.2275 or at any of NYSEG's authorized pay agents. If you pay in person, please bring your entire bill.

Payment is due when you receive your bill. Your payment must be postmarked by the "Late Fee After" date shown on page 1. If paying in person, payment must be made by the "Late Fee After" date. Payments received after the "Late Fee After" date will be subject to a 1.5% late payment charge per month.

Current balance due

\$97.07Pay By
04/16/23

Account Number:

Service addr:

Next meter reading date: April 24, 2023

Last billing period

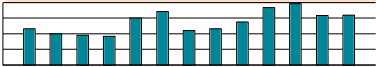
Your billing summary as of Mar 24, 2023

Your previous charges and payments

Total charges from your last bill \$56.32

Payments through Mar 24, thank you -\$57.00

Balance from previous bill -\$.68

**Your new charges**

Billing period:

Electricity charges \$102.14

Adjustments:

Credit -\$4.39

Total from this billing period \$97.75

Total amount due **\$97.07**

Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar 2023

Avg. Temp for Period This Year/Last Year 39 °F / 42 °F

Messages For You

To avoid a 1.5% late charge, please pay by 04/16/2023.

We offer convenient payment options such as pay by phone, pay online or in person at **Orange & Rockland Utilities, 15 Jersey Ave, Port Jervis.**

SAFETY REMINDER: Call us if you detect any gas odors or CO concerns in your residence or business. You can reach us at 800-533-LEAK (5325) or call 911 once safely away from the premises. We follow all COVID protocols when responding to emergencies.

Gas and electric bills are expected to be significantly higher this winter. For tips on managing your energy costs, or for help paying your bills, go to: oru.com/NYBillHelp

If your account is in arrears, please contact us to bring your account up to date. There are payment options and payment assistance available.

Your alternate energy supplier for the billing period was Constellation New Energy MM. They can be contacted at 1-855-465-1244.

Questions? Contact Us:

oru.com/ContactUs

1-877-434-4100



Detach and mail this portion with payment.

Account number:

PO Box 1005, Spring Valley, NY 10977

Your Energy Bill

Pay By

\$97.07

04/16/23

Amount Enclosed



+

ORANGE & ROCKLAND

PO BOX 1005

SPRING VALLEY NY 10977

0009 37021 67005 0000000000 00000005751

NEIGHBOR FUND: Add \$1
and O&R Will Match

Your electric breakdown (Rate: ELECTRIC RESIDENTIAL - DELIVERY)

Meter detail - billing period from Feb 22, 2023 to Mar 24, 2023 (30 days)

Meter #	New Reading	Reading Type	Date	Prior Reading	Reading Type	Date	Reading Difference	M	Total Usage
	11633	Actual		Mar 24	11297	Actual	Feb 22 336	1	336 KWH
CDG Credit Summary:									
Prior KWH				Current Month Allocation		Ho Allocation		Current Billed KWH	
0 KWH				-184 KWH		0		336 KWH	
CDG Credit: \$43.95				Savings Rate: 10.00%		CDG Subscription Fee: \$39.56		Net Credit Applied: \$4.39	

Your Supply Charges

ELECTRIC CHARGES

Feb 22-Mar 24 336 KWH @ 14.1900¢

Your electricity supplier: Constellation New Energy MM

Address: 1001 LOUISIANA STREET HOUSTON TX 77002

Total electric supply charges

47.68

Phone: 855-465-1244

Email: home@constellation.com

Your Delivery Charges

Basic Service Charge	\$21.50
First 250 KWH @ 9.529¢ each	23.82
Next 86 KWH @ 9.529¢ each	8.19
Energy Cst Adj 336 KWH @ 0.29400 ¢	.99
EVMR Surcharge 336 KWH @ 0.02200 ¢	.75
NOG 336 KWH @ 0.10560 ¢	.36
RDM Adjustment 336 KWH @ -0.76800 ¢	-2.58
Transition Adj Chg 336 KWH @ -0.05100 ¢	-0.17
SBC Cha 336 KWH @ 0.57300 ¢	1.93
Government surcharges - Delivery	1.06
Total electric delivery charges	\$54.46
Your electricity total	\$102.14

Understanding your bill

Full Service applies to customers who elect not to participate in Retail Choice and continue to receive both the supply and delivery of electricity and/or gas from Orange & Rockland.

Retail Choice applies to electric or gas customers who purchase their energy supply from an alternate energy provider rather than from the utility company.

Basic Service Charge covers the cost of metering, billing and other customer services. This charge may include the cost of a minimum amount of usage that is billed.

Billing Charge reflects the itemized portion of the basic service charge related to issuing bills, including preparing bill and processing of customer payments.

Customer Benefit Contribution Charge recovers the costs of key policy programs that aid low-income customers and fund energy efficiency and clean energy programs from customers of certain on-site renewable energy projects.

Electric Vehicle Make-Ready (EVMR) Surcharge recovers costs associated with investments made by the Company and incentives paid to customers to support the infrastructure and equipment necessary to accommodate increased electricity demands associated with the deployment of Electric Vehicles, until such costs are reflected in base rates.

Energy Cost Adjustment recovers costs related to O&R's prior obligation to purchase energy from non-utility generation sources and other purchase agreements that ensure service reliability. Forecast Market Supply Charge and Market Supply Charge Adjustment recovers electric supply costs incurred by O&R on behalf of its full service customers. The Forecast Market Supply Charge reflects market prices, while the Market Supply Charge Adjustment reconciles differences between prior period electric supply costs incurred by O&R and recoveries from its customers.

Gas Supply Charge reflects the monthly charges the company pays for purchasing gas supply on behalf of full service customers.

Government Surcharges include New York State and local taxes, such as the Gross Receipts Tax, and local village taxes, where applicable.

Merchant Function Charge for full service customers reflects certain costs associated with procuring electricity, and procuring and storing natural gas, as well as costs incurred by the company related to the credit and collections activities and uncollectible accounts.

Monthly Gas Adjustment or Adjustment Charge recovers costs of a number of items related to delivering gas to O&R customers such as balancing charges and pipeline refunds.

Revenue Decoupling Mechanism (RDM) Adjustment is intended to minimize the financial impact to O&R caused by lower sales as O&R implements energy-efficiency programs that help customers reduce consumption. Mechanically, an RDM functions by comparing actual versus authorized revenues and either crediting or collecting any differences from customers in a subsequent period.

System Benefits Charge (SBC) recovers costs associated with clean energy activities conducted by the New York State Energy Research and Development Authority (NYSERDA).

Supplier's Electric or Gas Charges reflect the cost of energy supply. This section appears on the bill only if the customer receives electric and/or gas supply from an alternate energy supplier.

How to get in touch with us

Email: oru.com/ContactUs

Phone: 1-877-434-4100

Mail: Orange & Rockland, 390 West Route 59, Spring Valley NY 10977

Ways to pay your bill

1. **Auto Pay:** Through Automatic Bill Payment, pay from your checking or

savings account at no charge. To enroll, put an X in the box on the payment

go to oru.com/ABP, or call Customer

account. You will not get the check back. Do not send cash.

2. **Online:** On the internet at oru.com/MyAccount.

3. **Phone:** Call our EZ Pay Express System at 1-877-OREZPAY (673-9729).

4. **App:** Download the Orange & Rockland app from the App Store or the Google Play Store.

5. **Debit or credit card:** At www.oru.com or toll-free at 1-800-584-1227.

Please note a third party convenience fee applies to non-residential customers only.

6. **In Person:** At the walk up windows or at our self-serve payment kiosks in

Centers listed below or at any authorized pay-in-person

locations:

• 390 West Route 59, Spring Valley, NY

• 500 Route 208, Monroe, NY

• 1R Towne Avenue, Rockville Centre, NY

7. **Home banking:** Using your bank's website.

8. **Mail:** Send a check or money order using the envelope provided to stub and return it with payment, authorize us to make a one-time electronic fund transfer from your Assistance.

Orange & Rockland

P.O. Box 1005

Spring Valley, NY 10977

When you provide a check as payment, you authorize us to either

use information from your check to make a one-time electronic fund

transfer from your account or to process the payment as a check. our Walk-in Service

Centers listed below or at any authorized pay-in-person location (listed on our website). Checks, cash or

Save a stamp. Pay your bill online at oru.com

/MyAccount