

**NIAGARA MOHAWK POWER CORPORATION**

**Community Distributed Generation (“CDG”) Program  
Procedural Requirements**

**Initial Effective Date:** November 9, 2015

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## **1. Introduction**

On July 17, 2015 and October 16, 2015 the New York State Public Service Commission (“PSC”) issued orders in Case 15-E-0082 under which the conditions, requirements, and criteria for implementing a Community Distributed Generation (“CDG”) Program were established.

Under the CDG Program, there are three main entities: the CDG Host; CDG Satellites; and the utility. 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 utility, and supervising and fostering cooperation among the project’s Subscribers. CDG Satellites are the project subscribers and 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 utility will be responsible for distributing the credits from the CDG Host’s account in accordance with the sponsor’s instructions.

This procedure may be amended from time to time based on experience, future PSC orders in Case 15-E-0082, the adoption of Uniform Business Practices for Distributed Energy Resources (“DER”) Providers and Products in Case 15-M-0180, and other PSC orders. In the event of any inconsistency between the Electricity Tariff (the “Tariff”) of Niagara Mohawk Power Corporation d/b/a National Grid (the “Company”), this procedure, or any of the above-mentioned requirements, the Tariff and PSC orders will govern.

## **2. Program Definitions:**

**Business Day:** Monday through Friday, except for public holidays.

**CDG Host:** A non-residential customer that owns or operates an electric generating facility eligible for net metering in conformance with the requirements of Public Service Law (“PSL”) Section 66-j or 66-l and whose net metering credits in excess of load accumulated at the CDG Host’s meter are applied by the Company to the accounts of other electric customers (“CDG Satellites”) with which the CDG Host has a contractual arrangement related to the disposition of net metering credits.

**CDG Host Anniversary Month:** Twelve (12) months from when the CDG Host commences net metered service under the CDG Program. The CDG Host Anniversary Month cannot be subsequently modified or changed.

**CDG Host Annual Reconciliation:** Annually, at the CDG Host Anniversary Month, the CDG Host must distribute all remaining credits on the CDG Host Account to its CDG Satellites.

Any credits remaining on the CDG Host's account at the end of the CDG Host Anniversary Month will be forfeited if not distributed.

**CDG Satellites:** An electric customer who receives net metering credits through a contractual relationship with the CDG Host.

**Excess Generation:** The electricity (kWh) supplied by the CDG Host to the Company during the billing period in excess of its on-site usage as measured at the CDG Host's billing meter.

**Low Income Customers:** Residential customers billed under Service Classification ("SC") - 1 and SC-1C and enrolled in the Company's low income program, which includes the Low Income Discount Program, Low Income Electric Discount Program, and Low Income Electric Heating Discount Program.

**Prior Excess Generation:** Undistributed excess generation remaining on the CDG Host's account from prior billing periods.

**Net Metered Generating Facility:** An electric generating facility eligible for net metering in conformance with PSL Section 66-j or 66-l, limited in size consistent with those statutes, and located behind the host meter of a Non-residential Customer.

**Non-residential Customer:** For purposes of net metering, this is a customer billed by the Company under a Service Classification other than SC-1 or SC-1C.

**Secure Email –** The Company will provide this information to the CDG Host under separate cover.

### **CDG Host Eligibility Provisions**

- 3.1** The CDG Host may be any single non-residential entity, including the electric generating facility developer, an energy service company ("ESCO"), a municipal entity (*e.g.*, town or village), a business or not-for-profit corporation, a limited liability company, a partnership, or other form of business or civic association, provided that the CDG Host owns or operates electric generating equipment that is eligible for net metering pursuant to the Tariff. The CDG Host is subject to Public Service Law Article 1 to the same extent as ESCOs and other similar energy supply providers interacting with the Company. The CDG Host need not form separate entities to perform the separate roles and instead will be treated as structurally separate in each role.

- 3.2 The CDG Host electing service under the CDG Program provisions of the Tariff must execute and submit to the Company the required contract as set forth in the Standardized Interconnection Requirements (“SIR”) Addendum in the Tariff. The CDG Host must operate in compliance with the standards and requirements set forth in the SIR Addendum.
- 3.3 The CDG Host must be a Non-residential customer with an electric generating facility eligible for net metering under PSL Section 66-j or 66-l.
- 3.4 The CDG Host must certify to the Company, both prior to commencing net metered service under the CDG Program provisions of the Tariff and annually thereafter, that it meets the creditworthiness standards and other requirements established by the PSC. The CDG Host must maintain such creditworthiness standards and other requirements in full force and effect throughout the term of self-certification. See Appendix A of this CDG Program Procedural Requirement for the self-certification form to be completed and submitted to the Company.

The CDG Host must have processes and procedures in place related to cyber security. The details of such required cyber security protections and the protocols in the event of a breach will be set forth in an agreement to be executed by and between the CDG Host and the Company. At a minimum, the agreement will include a requirement for the CDG Host to document and implement a cyber security policy that represents a commitment to appropriate cyber security protections aligned with the National Institute of Standards and Technology Cyber Security Framework as applicable to the entity’s business. The agreement will also require at least annual reviews of adherence to cyber security policies, terms for notifying the New York State Department of Public Service (“DPS”) and the PSC immediately in the event of a breach, the process for revocation of participation in the CDG Program, and a requirement for cyber security insurance.

#### **4.0 CDG Host Program Provisions**

The CDG Host shall:

- 4.1 Provide consistent and fair treatment to all utility customers, inclusive of CDG Satellites and prospective CDG Satellites.
- 4.2 Maintain processes and procedures to resolve customer inquiries without undue discrimination and in an efficient manner and provide an acknowledgement or response to a customer inquiry within two (2) Business days and, if only an acknowledgement is provided, a response within fourteen (14) Business days.
- 4.3 Direct the customer to contact the Company if the inquiry is specific to utility service.
- 4.4 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 DPS.

- 4.5** Seek to resolve disputes among its CDG Satellites or between CDG Satellite(s) and the CDG Host in the first instance. If the dispute cannot be resolved, a CDG Satellite can contact the DPS to pursue the dispute resolution process available at the Department to resolve disputes between CDG Hosts and CDG Satellites.
- 4.6** Obtain written authorization from a customer that is a prospective CDG Satellite in advance of requesting the customer's historical annual energy consumption from the Company. A CDG Host shall inform customers of the types of information to be obtained, to whom it will be given, how it will be used, and how long the authorization will be valid. A CDG Host shall retain, for a minimum of two years or for the length of the agreement with a CDG Satellite, whichever is longer, verifiable proof of authorization for each customer. Verification records shall be provided by a CDG Host, upon request of the Company, within five (5) calendar days after a request is made. Upon request of a customer, the Company will not provide consumption information to a CDG Host.
- 4.7** Not request termination or suspension of the Company's electric service to a CDG Satellite Account.
- 4.8** Submit to the Company, at least sixty (60) calendar days before commencing net metered service under the CDG Program, a CDG Allocation Request Form (as found in Appendix B hereto) with each CDG Satellite's utility account number, name, and address, and the percentage (up to three decimal places of accuracy) of the CDG Host's net energy output to be allocated to each, as well as the percent to be retained by the CDG Host. Enter into a written contract with each CDG Satellite. Upon submitting the CDG Allocation Request Form on behalf of its CDG Satellites, the CDG Host is certifying it has entered into written agreements with each of the CDG Satellites. Any additional CDG Satellites added to the CDG Program following the CDG Host's initial submission of the CDG Allocation Request form will require a new CDG Allocation Request Form be submitted to the Company at least thirty (30) calendar days prior to the CDG Host account's billing date to which the modifications apply.
- 4.9** Comply with the requirements of the PSC and with the Tariff, including but not limited to the provisions of Rule 29 - Community Distributed Generation, Rule 36 - Net Metering for Solar and Farm Waste Electric Generating Equipment, and Rule 37 - Net Metering for Wind Electric Generating Equipment.

The CDG Host shall ensure that the CDG project meets and maintains the following conditions:

- 4.10** The CDG Host must serve a minimum of ten CDG Satellites, each billed under the Tariff, except that CDG Satellites who are served under SC-7 or SC-12 are not eligible for the CDG Program. No CDG Satellite Account shall have more than one CDG Host, participate in remote net metering, or have on-site generation.

- 4.11** 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 met.
- 4.12** Each CDG Satellite must take a percentage of the CDG Host's net energy that amounts to at least a minimum of 1,000 kWh annually but no more than its historic annual consumption (or a forecast of consumption if no historical data exists).
- 4.13** All CDG Satellites must be located within the Company's service territory and within the same New York Independent System Operator ("NYISO") zone as the CDG Host.

## **5.0 CDG Project Process**

- 5.1 CDG Project Application:** Complete and submit to the Company all required documentation in accordance with the application process requirements set forth in the SIR Addendum in the Tariff.
- 5.2 CDG Self-Certification:** Complete and submit to the Company using the form in Appendix A, CDG Host Certification.
- 5.3 Historical Consumption Requests:** Send a Secure Email to [DistributedGenerationServices-NY@nationalgrid.com](mailto:DistributedGenerationServices-NY@nationalgrid.com) which includes a Microsoft Excel file providing a list of the prospective CDG Satellite utility account numbers for which historical consumption data is being requested. If the customer utility account number is invalid, there will be no data provided. It will be the CDG Host's responsibility to verify the account number with the customer as the Company will not disclose the information otherwise. The Company will return a Microsoft Excel file via Secure Email to the CDG Host containing available consumption data for the most recent annual period available. This data transfer method will be used initially until an automated file transfer process is established by the Company or another method for such data transfer is implemented by the Company.
- 5.4 Initial Allocation Request:** Complete and submit an Allocation Request Form provided in Appendix B hereto and indicate within the form that the submission is an Initial Allocation Request.
- Initial Allocation Requests must be received by email a minimum of 60 calendar days before commencing net metered service under the CDG Program. Accepted Initial Allocation Requests will be effective commencing with the first full Host Account billing period 60 days after receipt of such request.

- CDG Satellite allocations of the Excess Generation on the CDG Host Account should be specified in a percentage up to three decimal places of accuracy.
- CDG Satellite allocations must total 100% or less of the Excess Generation on the CDG Host Account. If less than 100% of the CDG Host's Excess Generation is allocated by the CDG Host to associated CDG Satellites, the balance will be retained on the CDG Host account.

**5.5 Subsequent Allocation Request:** Complete and submit an Allocation Request Form using the form provided in Appendix B and indicate within the form that the submission is a Subsequent Allocation Request.

- After commencing net metered service under the CDG Program, the CDG Host may modify its CDG Satellite Accounts and/or the percentage allocated to its CDG Satellites by giving notice to the Company no less than 30 calendar days before the CDG Host Account's cycle billing date to which the modifications apply.
- The information contained in the Subsequent Allocation Request will follow the same request format, validation and submittal process as outlined above in the Initial Allocation Request.
- CDG Host must include all CDG Satellites allocations when submitting a revised distribution percentage for any of their associated CDG Satellites.

**5.6 Annual Allocation Request:** If desired, the CDG Host may complete and submit an Allocation Request Form using the form provided in Appendix B and indicate within the form that the submission is an Annual Allocation Request.

- The allocation request must be received, each year, no less than 30 calendar days before the CDG Host Anniversary Month.
- The Annual Allocation Request will provide instructions to the Company for allocating to the CDG Satellites any remaining credits on the CDG Host Account at the CDG Host Anniversary Month.
- No distribution of any remaining credits will be made if the Annual Allocation Request is not submitted to the Company by the required date, resulting in any remaining credits on the CDG Host Account after the CDG Host Anniversary Month being forfeited.



**5.7 CDG Satellite Account Closure:**

- The Company may close a customer's account for any number of reasons including but not limited to: (a) bankruptcy, (b) shut off for non-payment of utility charges, or (c) customer request.
- A CDG Satellite Account shall no longer receive credits after the CDG Satellite Account's final bill is rendered.

# **APPENDIX A**

## CDG Host Certification Form

Check One

	Initial CDG Host Certification
	Annual CDG Host Certification

I certify that this CDG Host application will abide by all terms and conditions of Rule 29 – Community Distributed Generation of the Tariff and requirements of the PSC that are adopted pursuant to 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 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.

I certify that each associated CDG Satellite Account will receive at least 1,000 kWh annual 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).

I certify that, if the CDG project is operational before May 1, 2016, the CDG project is either: 1) located in a “Opportunity Zone” as identified by the Company; or 2) at least 20% of the associated Satellite Accounts will be customers who participate in the Company’s low income program.

I certify that all associated CDG Satellite Accounts will be in the same NYISO Load Zone as the CDG Host and located in the Company’s service territory.

I certify that advance written authorization will be obtained from potential CDG Satellite Account customers for the release of customer information and historical usage data 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 for 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.

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.

I certify that as the CDG Host I will satisfy all obligations assumed with respect to Satellite Account owners (project members).

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 to person responsible for account (Check one)

Owner  Partner  Agent [Attach documentation of authorization by Principal]  Corporate Officer

Other (specify) \_\_\_\_\_

# **APPENDIX B**

**Niagara Mohawk Power Corporation d/b/a National Grid**  
**Community Distributed Generation (“CDG”) Project**  
**Allocation Request Form**

In accordance with Rule No. 29 of P.S.C. No. 220 - Electricity, the electric tariff for retail service of Niagara Mohawk Power Corporation (the “Company”) filed with the New York Public Service Commission, a CDG Host may designate qualifying CDG Satellite Accounts for receipt of excess net metering credits. The CDG Host Account may designate a percentage of their excess net metering credits accumulated at the Host’s meter to associated CDG Satellite Accounts.

For questions please call: **Capital Region:** (518) 433-3793; **Central Region** (315) 798-5367; **Western Region** (716) 831-7747;

or email: to [DistributedGenerationServices-NY@nationalgrid.com](mailto:DistributedGenerationServices-NY@nationalgrid.com)

For more information please go to:

Residential

[https://www.nationalgridus.com/niagaramohawk/home/energyeff/4\\_interconnection.asp](https://www.nationalgridus.com/niagaramohawk/home/energyeff/4_interconnection.asp)

Business

[https://www.nationalgridus.com/niagaramohawk/business/energyeff/4\\_interconnection.asp](https://www.nationalgridus.com/niagaramohawk/business/energyeff/4_interconnection.asp)

**1. CDG Host Account**

National Grid Account Number (10 digits):	
Account Name:	
Service Address:	
Mailing Address:	
City:	Zip:
Contact Name:	
Phone:	Email:

**2. Requested Allocation to CDG Satellite Accounts**

Check one:		<b>Initial Allocation Request:</b> Must be submitted at least 60 days prior to the CDG Host Account commencing net metered service under the CDG Program.
		<b>Subsequent Allocation Request:</b> Must be submitted no less than 30 days before the CDG Host Account’s cycle billing date to which the modifications apply.
		<b>Annual Request for Allocation of Excess Credits:</b> must be submitted no less than 30 days before the 12-month anniversary of commencing CDG net metered service and is effective for a one-time allocation only. The most recent <b>Initial Allocation Request</b> or <b>Subsequent Allocation Request</b> , as applicable, will apply to all on-going allocations thereafter.

	National Grid Account Number (10 digits)	National Grid Account Name	Distribution Percentage (Distribution cannot exceed 100%)
			%
1			%
2			%
3			%
4			%
5			%
6			%
7			%
8			%
9			%
10			%

**PLEASE NOTE: THE FORMAT SPECIFIED ABOVE IS FOR INFORMATIONAL PURPOSES ONLY. ALL SATELLITE ACCOUNT INFORMATION SHALL BE FORWARDED TO THE COMPANY IN AN EXCEL SPREADSHEET AND INCLUDE ALL OF THE INFORMATION ABOVE.**

**3. Accepted and Agreed**

<b>CDG Host:</b>	
Name:	Title:
Signature:	Date: