

Niagara Mohawk Power Corporation

d/b/a National Grid

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

Version 1.0

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List of Revisions to this Manual

Version Number	Effective Date	Changes
1.0	August 31, 2020	As filed with the Commission

Section 1: Introduction

Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid” or “Company”) provides voluntary (opt-in) 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 Sponsor. Net crediting is available for any CDG project in National Grid’s New York service territory receiving value stack compensation under Rule 40 of the Company’s Electricity Tariff. This net crediting manual sets forth the program rules and enrollment process and may be amended from time to time by National Grid. Net crediting will also apply to Phase One NEM projects and the timeline for the Company’s ability to provide net crediting to those projects will be addressed in the Billing Upgrade Report.

1.1 Commission Orders Governing Net Crediting and Company 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 (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 (March 9, 2017)
- *Order Establishing Oversight Framework and Uniform Business Practices for Distributed Energy Resource Suppliers* (“UBP-DERS”), in Case 15-M-0180 (October 19, 2017)
- *Order on Value Stack Eligibility Expansion and Other Matters* (“Expansion Order”), in Cases 15-E-0751 and 15-E-0082 (September 12, 2018)
- *Order Regarding Consolidated Billing for Community Distributed Generation* (“Net Crediting Order”), in Case 19-M-0463 (December 12, 2019)

Rules 29, 36, 37 and 40 of the Company's PSC 220 Tariff incorporate the relevant provisions of the aforementioned orders.

1.2 Relationship of this Manual, CDG Net Crediting Agreement, and Company Electricity Tariff

The Commission's Net Crediting Order directed the Company to provide consolidated billing services through a net crediting model. The terms of the agreement between the CDG Sponsor 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) the Electricity Tariff; (b) the CDG Net Crediting Agreement; and (c) this Manual.

1.3 Updates and Revisions to this Manual

The Company may, at its discretion, make modifications to this Manual and the net crediting procedures as needed to reflect changes in business processes, enhancements to its billing system, or to comply with Commission orders. Substantive changes that will require tariff filings or other modification required by subsequent Commission orders will be noticed with sufficient time for parties to comment on such changes. For changes to this Manual that may impact the ways that the CDG Sponsors conduct their business but that may not require tariff changes, the Company will provide appropriate notice and sufficient time for the CDG Sponsors to prepare for such changes. For each of these types of modifications, the Company will provide email notification to CDG sponsors participating in net crediting of changes to the Manual and the most current version of the Manual will be posted on the Company's website. Minor, non-substantive changes to this manual, such as formatting changes, do not require notice; however, such changes will be noted in the tracking section.

The Manual version numbers will start with Version 1.0 as the version filed August 31, 2020 with the Commission. Minor revisions will be indicated by a decimal place change (*e.g.*, Version 1.1, 1.2, *etc.*). Major changes will be indicated by a whole number increment in the version number (*e.g.*, Version 2.0, 3.0, *etc.*). A sequential list of revisions to this Manual is included on the first page.

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 in 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.

Available Credits are the CDG Host's monthly value stack credit 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 Host Anniversary Month is 12 months from the date that the CDG Project received permission to operate from the Company.

CDG Project is the community distributed generating project that is 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, 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 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 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).

CDG Sponsor Payment is the payment from the Company 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 Company.

CDG Subscription Fee is the resulting value of the CDG Project's monthly Value Stack 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 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 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.

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 Project's Value Stack 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 Sponsor, less the Utility Administrative Fee. The Net Crediting Program will be 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 Sponsor 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 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.

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 Sponsor that have not been allocated to the CDG Satellites.

PTO is “Permission to Operate” and is the Company’s official notification that the Value Stack 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 Value Stack Credits to be apportioned to each CDG Satellite as specified by the CDG Sponsor.

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%.

Value Stack Credits are the monetary credits calculated for the CDG Project’s net excess generation pursuant to Rule 40 of the Electricity Tariff.

Value Stack 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 whose production is compensated according to Rule 40 of the Electricity Tariff.

Section 3: Net Crediting Framework

3.1 CDG Net Crediting and Traditional CDG Compared

For a traditional value stack CDG project (non-net crediting), the generating facility injects electricity into the distribution grid. In return, the utility allocates monetary bill credits to the CDG Satellites which are electric customers of the Company. The CDG Satellites contract for a portion of the generating facility’s output and the CDG Sponsor then collects a subscription fee from each CDG Satellite customer for their share of the generation facility’s output.

Net crediting eliminates the need for the CDG Sponsor 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 Sponsor and the amount they would owe the CDG Sponsor (*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 Sponsor.

Additional information on how the Company is calculating values under the net crediting model can be found in Section 8.3: Calculation of CDG Sponsor 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 Sponsor 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 value stack projects, including existing projects that are interconnected 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 via the nCAP portal <https://ngus.force.com/s/ny-incentives-and-programs>. Enrollment in 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 interconnection project (nCAP) case number and a net crediting application are required as part of the enrollment process. After the CDG Host enters the application information, a prepopulated Net Crediting Agreement will be generated and sent to the CDG Host for execution. The CDG Host can execute the Net Crediting Agreement within the nCAP portal or execute it off-line and return it by uploading to the nCAP portal. Upon completion of the net crediting application, the Company will send instructions via 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 begins upon receipt by the Company of all completed documentation. By the end of the enrollment period, contingent on receipt of valid and complete documentation, the Company will provide enrollment approval confirmation, including a countersigned net crediting agreement and vendor ID number, to the CDG Host.

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.

A status bar showing the steps and progress throughout the enrollment period will be visible on the enrollment request record as shown in Figure 1.

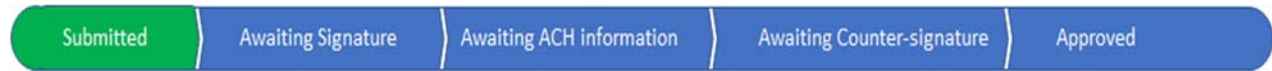


Figure 1. nCAP status bar showing enrollment status

Submitted – means that the net crediting enrollment request has been submitted to the Company via the nCAP portal and is under review. The submitter will receive a Case # to enable tracking of the request in the nCAP portal.

Awaiting Signature (CDG Host) – means that the Net Crediting Agreement is ready for signature by the billing customer.

Awaiting ACH Information – means that the ACH form, W9 and banking information have not been received in the NetCrediting.NY@nationalgrid.com mailbox.

Awaiting Counter-signature – means that 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 that net crediting will begin on the next CDG host bill date. The Company will communicate the project's approved status by use of the enrollment status bar as indicated in Figure 1 and via the nCAP portal's chatter function which will include the specific bill period for commencement of net crediting.

5.2 Checklist of Documents Required for Enrollment

	Document	How to Submit
	Net Crediting Application	Through nCAP portal
	Net Crediting Agreement	Generated by nCAP portal for either online or offline signature; submitted via nCAP portal
	DER Registration Form	Through nCAP portal if not completed as part of interconnection application
	CDG Host Certification Form	Through nCAP portal
	Data Security Agreement	Through nCAP portal if CDG Host will be administering allocation lists and has not already submitted a DSA
	ACH Form	By encrypted email to NetCrediting.NY@nationalgrid.com

	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
	Initial or Subsequent Allocation List (optional if CDG Host wants this list pre-validated at the time of Net Crediting enrollment)	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 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. National Grid will confirm receipt of the unenrollment request and advise on which 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. The unenrollment process and a sample termination letter are included in Appendix I.

A CDG Host whose account is in arrears may be subject to removal from the net crediting program.

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

For value stack projects in the interconnection queue, a CDG Sponsor may submit an initial allocation request for pre-validation at the time of enrollment. 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 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 that no more than 40 percent of the output of the CDG

Host may serve CDG Satellites of 25 kW demand or greater, in aggregate (“CDG 60/40 Rule”). Satellite allocations must total 100 percent or less.

6.2 Subsequent Allocation Requests

For CDG projects that are already connected, a CDG Host may submit a subsequent allocation request for pre-validation at the time of enrollment in the net crediting program. 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 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. Satellite allocations must total 100 percent or less.

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, a CDG Host may submit an allocation request 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. Allocation requests not submitted on the Company template will not be processed. The CDG Savings Rate as applied to the host bank allocation must be the same as the CDG Sponsor’s most recent processed allocation unless the CDG Sponsor is making a CDG Savings Rate change 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. Satellite allocations must total 100 percent or less.

6.4 Identifying Excluded Anchor Satellite

The CDG Host may identify up to one anchor customer to exclude from net crediting. The Excluded Anchor Satellite must be identified on the CDG Allocation Request and will not be assigned a CDG Savings Rate. The Excluded Anchor Satellite shall be a demand billed customer with a historical maximum demand over the most recent 12 months 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 make a determination in its best judgment if the satellite will meet 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 percent 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 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. Multi-unit dwelling buildings included as part of the 60% are 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 five (5) percent and no greater than 100 percent minus the Utility Administrative Fee (currently one (1) percent). 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. CDG Savings Rates may be changed no more than twice per year and can become effective only on the CDG Host bill date occurring in March or the CDG Host bill date occurring in September.

6.6 Compliance with the 60/40 Rule

Rule 29 of the Company's Electricity Tariff defines how CDG projects must apportion their allocations according to the commonly known "60/40" rule. The intent of this rule is that sixty (60) percent of the output of a CDG project is to be reserved for small, non-demand customers, also known as "mass market" customers. The remaining forty (40) percent of the output is for larger customers. The 40 percent bucket does not need to be filled but by capping large use customers, the 60/40 rule ensures that smaller customers have the opportunity to participate in CDG.

The Company applies the 60/40 rule according to its Electricity Tariff and applicable guidance from the Commission. Compliance with the 60/40 rule is included in the Company's pre-validation of allocation lists.

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 will return such payment to the CDG Satellite.

7.3 Handling CDG Satellite Customer Inquiries

The CDG Host is responsible for handling inquiries and complaints from CDG Satellites related to the CDG Project and such inquiries and complaints will not be handled by the Company.

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/>.

8.2 Pre-validation of CDG Satellite Allocation Lists

The Company will pre-validate CDG Satellite allocation lists that meet 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), 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 Sponsor 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 Sponsor Payments and the Utility Administrative Fee based on the CDG Project's monthly Value Stack Credits, the CDG Savings Rate, the CDG Satellite's Allocation, the CDG Satellite's banked credits, any of the CDG Host's unallocated credits that are allocated to the CDG Satellite, and the electric charges on the CDG Satellite's retail bill for each billing month. The calculation steps used will be as follows:

- **Step 1.** The Company calculates the CDG Project's monthly Value Stack Credits based on the CDG project's net injections.
- **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 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 Credits as the minimum of i) the Total Available Credit in Step 3 and ii) the CDG Satellite's total electric retail bill charges for the applicable billing period.
- **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 CSS 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, excluding the Excluded Anchor Satellite, calculate the CDG Subscription Fee remaining which will be used as the basis of the CDG Sponsor 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, which is currently 1.0%.
- **Step 9.** Calculate the CDG Sponsor Payment as the sum of the CDG Subscription Fees calculated for each of the project's CDG Satellites in the applicable billing period (from Step 7) less the Utility Administrative Fee.

An illustrative billing example of the above calculation process is 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 differences are due to system limitations prior to automation and will be temporary until automation is finalized.

During the period the Company is performing manual billing, the Net Member Credits will appear in the "other" section of the bill.

8.4 CDG Sponsor Payment

The CDG Sponsor 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 Sponsor 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 once per year, 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 billing system, those credits can still be reallocated under the Net Crediting Program.

Payment Mechanism

All CDG Sponsor Payments will be made by electronic funds transfer and may only be made to the billing customer of record in the Company's billing system. CDG Hosts must submit a W-9, an ACH form, and either a bank letter or a voided

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 any excess credits will be retained on the satellite account for use in future billing periods.

check to set up electronic payments. The name of the entity submitting the W-9, ACH form and banking information must match that of the billing customer of record in the Company's billing system. In addition, all customer/vendor names must match the data as reported to the United States Internal Revenue Service (IRS). If any discrepancies exist between the billing customer information submitted to the Company and the associated information as recorded with the IRS by Taxpayer ID Number (TIN), the Company may require new forms from the CDG Host/billing customer to complete the net crediting enrollment. 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 project LLC and the parent company may be required. All documentation to establish electronic funds transfer must be provided to National Grid 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 is accessible to the Company.

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 National Grid 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.

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 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 as part of the 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.

Payment Timing

At the end of each calendar month, payments due to CDG Hosts will be batched and sent to National Grid’s Accounts Payable system for payment processing. CDG Sponsors will receive one aggregated payment each month for all projects for which host accounts have billed in the previous month. To account for payment processing time and differences in Host and Satellite account billing cycles, payments to CDG Hosts may take up to seventy (70) days after the Company has calculated and applied the CDG Subscription Fee to a CDG Satellite’s electric utility bill. Once billing automation is achieved, it is anticipated that payments to CDG Hosts will be accomplished more quickly.

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.

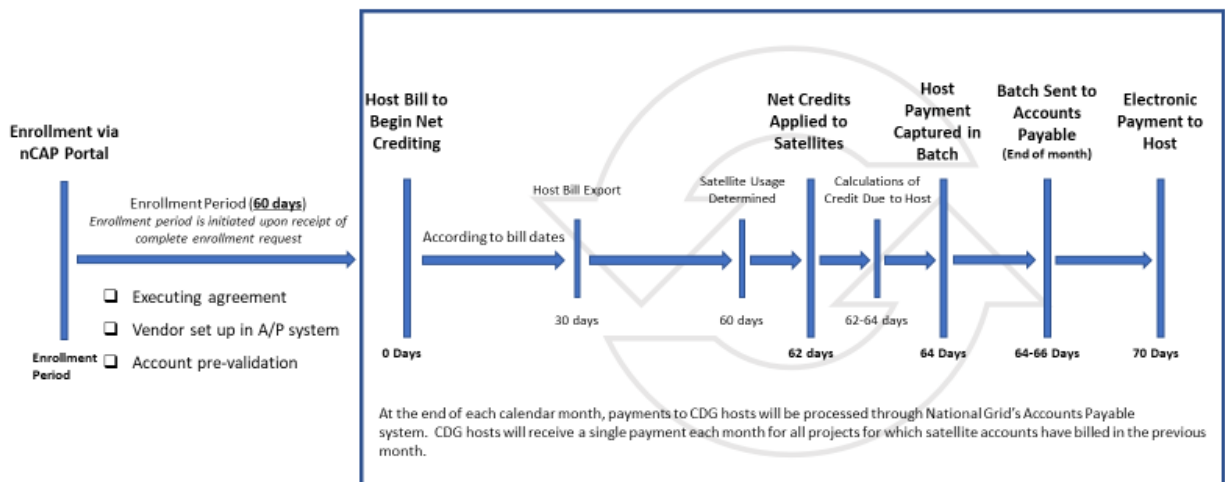


Figure 2. Net Crediting Timeline from Enrollment to CDG Sponsor Payment

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. If the CDG Satellite closes its National Grid account or drops from the CDG Host allocation, payment for that CDG satellite to the CDG Sponsor will cease. National Grid will inform the CDG Sponsor 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 a monthly statement per project that shows the prior month's CDG Satellite allocations. The report includes: the CDG Host account number, CDG Satellite account numbers, CDG Satellite account name, CDG Satellite service class, CDG Satellite voltage delivery level, the CDG Satellite account status, monetary credits applied for each component of the value stack, the total value stack credit applied, the allocation percentage, the CDG Host bill period, the transfer date, the CDG Satellites' bill dates, the CDG Satellites' prior month banked credits, the total value stack credit available to each CDG Satellite, the CDG Satellites' bill amounts, the monetary credit applied, and the CDG Satellites' banked carry over.

See Appendix F for the format of the CDG Host statement. The statement will be provided via the nCAP portal.

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 the Company's value stack billing automation project is to show two separate line items on the CDG Satellite bill; one for the total credit and one for the CDG subscription amount that the CDG Satellite would have paid to the CDG host for its share of electricity provided by the project.

Additional information on satellite customer bill display and potential future bill messaging will be included in the Company's Billing Upgrade Report to be filed with the Commission on October 1, 2020. The Order requires the Company to discuss the feasibility and potential timeline for: (a) upgrading the net crediting model to include the total credit value and subscription cost on the customer bill in addition to the net credit; (b) noting on the customer's bill on the first page or in another prominent location that the customer is a CDG member and providing the name of the CDG Sponsor and/or the CDG project; (c) providing the CDG Sponsor with the ability to include a bill message; and (d) discussing the timeline for expanding the net crediting program to CDG NEM projects. The Company will also provide information on what, if any, bill or billing system upgrades are currently underway or anticipated and whether these changes can be accomplished as part of those upgrades.

8.7 Mechanism to Inquire about CDG Sponsor Payment

To inquire about the amount of a CDG Sponsor 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 business 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 Sponsor 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 one (1) percent and is subject to further adjustment by the Commission based on utility administrative costs.

8.9 CDG Sponsor and Satellite Customer Inquiries

The Company will address CDG Host billing-related inquiries and disputes per the terms of the Net Crediting Agreement. The CDG Sponsor will handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Company. The Company will remain responsible for resolving billing-related customer inquiries and complaints.

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

The treatment of banked credits on CDG Satellites is governed by Commission Order, the Electricity Tariff, and where the Orders and Tariff are silent, by the Company’s administrative billing procedures. The subject of CDG Satellite banked credits is under ongoing discussion through the Commission’s Billing & Crediting Working Group. This section describes the treatment of value stack CDG Satellites with banked credits by the Company and the permissibility of a CDG Satellite participating in net credit from unsubscribing from a CDG Sponsor’s project in accordance with the process in effect as of the date of this manual. Subsequent changes regarding treatment of banked CDG Satellite credits will be reflected in an update to this Manual.

9.1.1 From a Net Credit project to no host

Value stack 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 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 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.

9.1.4 From a Non-Net Credit project to a Net Credit project

Value stack 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 fully applied to the CDG Satellite's bill.

9.2 Back-billing of CDG Host and CDG Satellites

If a valid initial allocation request is not provided by the time the Value Stack Generating Facility is issued PTO, the entire value stack credit is banked on the CDG Host account. If there are any issues with the CDG host account activation in CSS, 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 after the CDG Host account is billed current.

Section 10: Transfer of Ownership of a Value Stack Generating Facility

A CDG Host wishing to transfer ownership of the Value Stack Generating Facility or the CDG Host billing customer must notify the Company at least sixty (60) days prior to the effective date of the change. The new CDG Host will execute and submit all required enrollment documentation listed in Appendix G via the nCAP portal. The Company will advise the CDG Host of the need to complete new net crediting enrollment documents which may include execution of a new Net Crediting Agreement.

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 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 both the CDG Satellite customers' supply and delivery services and is shown as a separate line item in both the delivery and supply services section of the bill. The net credit is applied to the bill total after sales tax has been applied such that the net credit functions like a payment on the customer's bill.

11.3 Resolution of Disputes between Company and CDG Sponsor

Disputes between the Company and the CDG Sponsor are governed by the terms of the Net Crediting Agreement.

11.4 Resolution of Disputes between CDG Sponsor and CDG Satellites

Disputes between the CDG Sponsor and CDG Satellites must be resolved by the CDG Sponsor. 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 Sponsors via the nCAP portal and will be posted on <https://ngus.force.com/s/>

Section 12: Appendices

Appendix A – CDG Host Certification Form

CDG Sponsors 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 Sponsor is adhering to all the CDG rules as per the Company's 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			
<div>Check One</div> <table border="1"><tr><td><input type="checkbox"/> Initial CDG Host Certification</td></tr><tr><td><input type="checkbox"/> Annual CDG Host Certification</td></tr></table>		<input type="checkbox"/> Initial CDG Host Certification	<input type="checkbox"/> Annual CDG Host Certification
<input type="checkbox"/> Initial CDG Host Certification			
<input type="checkbox"/> Annual CDG Host Certification			
<div><input type="checkbox"/> 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.</div> <div>Please check either 2a or 2b:</div> <div><input type="checkbox"/> 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</div> <div><input type="checkbox"/> 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 <i>Order Regarding Farm-Based Distributed Energy Resources</i> 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.</div> <div><input type="checkbox"/> 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.)</div> <div><input type="checkbox"/> 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.</div> <div><input type="checkbox"/> 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.</div> <div><input type="checkbox"/> 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.</div>			
<div><input type="checkbox"/> 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.</div> <div><input type="checkbox"/> 8. I certify that as the CDG Host I will satisfy all obligations assumed with respect to Satellite account owners (project member).</div> <div><input type="checkbox"/> 9. To the best of my knowledge the information provided herein is accurate and no attempt has been made to misrepresent the facts.</div> <div>Name of Applicant (Please print) _____</div> <div>Signature _____ Date _____</div> <div>Telephone _____ Email _____</div> <div>Affiliation of person responsible for account (Check one)</div> <div><input type="checkbox"/> Owner <input type="checkbox"/> Partner <input type="checkbox"/> Agent [Attach documentation of authorization by Principal] <input type="checkbox"/> Corporate Officer</div> <div><input type="checkbox"/> Other (specify) _____</div>			

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://ngus.force.com/s/ny-incentives-and-programs>

CDG Allocation Request - Net Crediting				nationalgrid		
Instructions for submitter: Add additional rows as necessary. Allocation percentages may be specified up to four decimal points. Digits beyond the fourth decimal place will be truncated. Do not include dashes in the account numbers. All account numbers should be 10 digits or less. 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. The 'National Grid Account Name' will not be validated. Column is for informational purposes only.						
		Percentage Allocated to Satellites (except anchor tenant)	0.0000%			
		Percentage Banked on Host	100.0000%			
		CDG Savings Rate	5%			
		Has the CDG saving rate changed since previous allocation submission?	No	<i>If yes, I certify that all satellites, except the Excluded Anchor Satellite, have consented to a reduction in the savings rate</i> <div style="text-align: center;">X</div>	[Sign above]	
Satellite No.	National Grid Account Number (#####)	National Grid Account Name	Generation Allocation 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				
8		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 Sponsor for correction and may delay the enrollment of the project in net crediting.

Line 1. The W-9 must be filled out by the dedicated payee that is receiving the CDG Sponsor 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: <input type="checkbox"/> Individual/sole proprietor or single member LLC <input type="checkbox"/> 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. <input type="checkbox"/> 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) _____ (Applies 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)																																															
<p>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.</p> <p>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.</p>																																															
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td colspan="9" style="text-align: center;">Social security number</td></tr><tr><td style="width: 3.33%; height: 20px;"></td><td style="width: 3.33%;"></td><td style="width: 3.33%;"></td><td style="width: 3.33%;"></td><td style="width: 3.33%;"></td><td style="width: 3.33%;"></td><td style="width: 3.33%;"></td><td style="width: 3.33%;"></td><td style="width: 3.33%;"></td></tr><tr><td colspan="9" style="text-align: center;">OR</td></tr><tr><td colspan="9" style="text-align: center;">Employer identification number</td></tr><tr><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td></tr></table>			Social security number																		OR									Employer identification number																	
Social security number																																															
OR																																															
Employer identification number																																															
Part II Certification																																															
<p>Under penalties of perjury, I certify that:</p> <ol style="list-style-type: none">The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); andI 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; andI am a U.S. citizen or other U.S. person (defined below); andThe FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. <p>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.</p>																																															
<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																																															
<p>Section references are to the Internal Revenue Code unless otherwise noted.</p> <p>Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/ir9.</p> <p>Purpose of Form</p> <p>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:</p> <ul style="list-style-type: none">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) <ul style="list-style-type: none">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) <p>Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.</p> <p>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.</p> <p>By signing the filled out form, you:</p> <ol style="list-style-type: none">Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).Certify that you are not subject to backup withholding, orClaim 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, andCertify 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.																																															
<small>Cat. No. 10231X</small> <small>Form W-9 (Rev. 12-2014)</small>																																															

Appendix D – ACH Payment Authorization Form

The ACH Payment Authorization Form (“ACH Form”) is required to establish the CDG Sponsor/billing customer as a payee in the Company’s account payable system.

Company guidance on completing the ACH Form follows. Incomplete ACH Forms or ACH Forms with errors will be returned to the CDG Sponsor for correction and may delay the enrollment of the project in net crediting. The ACH Form will be available on the nCAP portal; however, completed ACH Forms must be submitted to the Company by encrypted email to NetCrediting.NY@nationalgrid.com. 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.


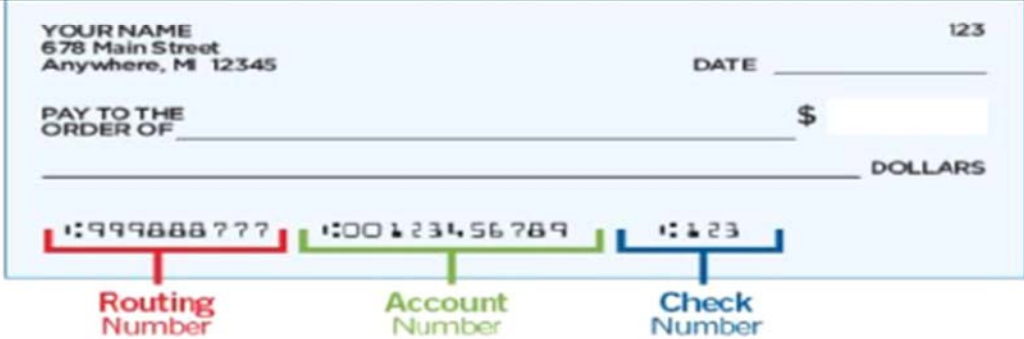
Payment Remit to Address if different: is required. If the addresses do not match, a Company representative will contact the payee by phone to determine the reason for the mismatch and will document the mismatch for accounts payable.

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.

 <u>ACH PAYMENT AUTHORIZATION FORM</u> 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)
	
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)

A live version of this worksheet is available on the Commission's website:

Illustrative Example of CDG Net Crediting Model Credits and Payments										Green cells are inputs		Yellow cells are taken from the monthly bill (illustrative only)		
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											
c	VDER (Value Stack) Project Credit	-\$1,000	Project's monthly Value Stack Credit for excess generation as calculated by CSS											
	Satellites	CDG Savings Rate	Satellite Allocation Percentages ²	Available Credit	Current Banked Credits	Total Available Credit ³	CDG Satellite Monthly electric charges	Calculated Credits	Net Member Credit ⁴	Excluded Anchor Satellite Credit ⁵	Remaining electric charges on Bill ⁶	Ending banked credits	CDG Subscription Fee	
		a	j	k = c * j	l	m = k + l	n	o = -min(-m,n)	p = o * a	p1=0	q = n + p	r = -max(0, -m-n)	s = o - p	
	Unallocated (Banked to CDG Host for future redistribution) ³	N/A		-\$200	-\$1,000	-\$1,200						-\$1,200		
d	CDG Satellite 1	10%	15.000%	-\$150	\$0	-\$150	\$100	-\$100	-\$10		\$90	-\$50	-\$90	
e	CDG Satellite 2	10%	25.000%	-\$250	-\$100	-\$350	\$400	-\$350	-\$35		\$365	\$0	-\$315	
f	CDG Satellite 3	10%	10.000%	-\$100	\$0	-\$100	\$50	-\$50	-\$5		\$45	-\$50	-\$45	
g	Excluded Anchor Satellite ⁵	N/A	30.000%	-\$300	-\$400	-\$700	\$1,000	-\$700		-\$700	\$300	\$0	\$0	
h	Subtotal		100.000%	-\$1,000	-\$1,500	-\$2,500			-\$50			-\$1,300	-\$450	
													t = sum(e,h)	
Notes:										Utility Administrative Fee ⁷			-\$5	u = b * sum (o, rows e,g)
¹ CDG Savings Rate is not applicable to the CDG Sponsor banked credits or the Excluded Anchor Satellite ² Satellite Allocation Percentages are provided by the CDG Sponsor; Unallocated is the difference between 100% and the sum of the CDG Sponsor allocated Satellite Percentages ³ If a CDG Host made an allocation from the Host Bank, such credit would also be available to the CDG Satellite ⁴ The Net Member Credit is the actual credit to the electric charges on the bill ⁵ The Excluded Anchor Satellite's Credit is the actual credit to the electric charges on the bill ⁶ CDG Satellite Remaining Bill are the bill charges after the Net Member Credit is applied to the bill; for the Excluded Anchor Satellite it is after their credit is applied ⁷ The Utility Administrative Fee is not assessed on credit applied to the Excluded Anchor Customer ⁸ The CDG Sponsor Payment is provided to the CDG Sponsor in one payment per month										CDG Sponsor Payment ⁸			-\$445	v = t - u
										Calculation Check			\$0	Good
														c-sum p-p1-u-v-(sum r-sum l)

Appendix F – Sample CDG Monthly Sponsor Statement

This sample report for illustration purposes only.

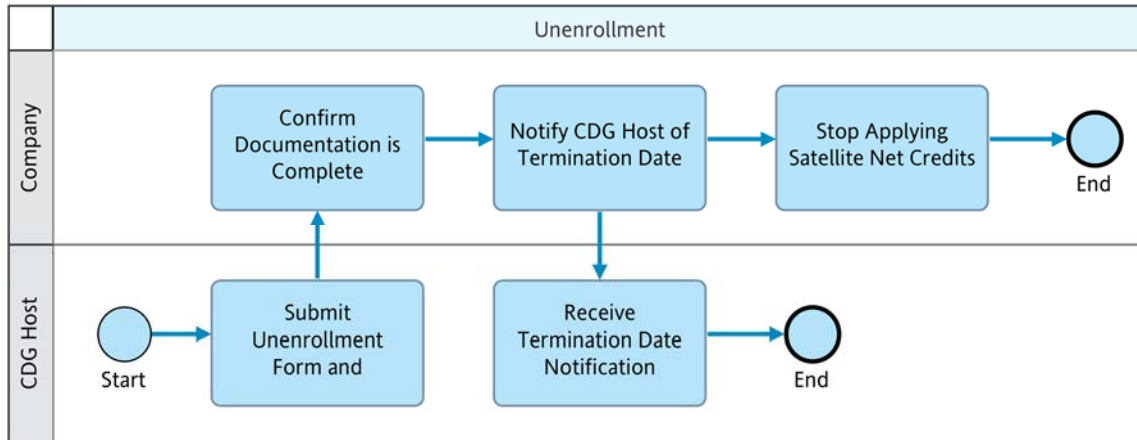
Host Acct	Sat Acct	Satellite Name	Sat Serv Class	Sat VDL	Sat Status	VDER Energy	VDER Cap	VDER Environment	VDER DRV	VDER LSRV	VDER MTC-CC	VDER Total	Transferred kWh	Allocation %	Host Bill Period	Transfer Date	Satellite Bill Dt	Banked Prior Month	Current VDER	Total Available	Satellite Bill Amt	Applied	Banked Carry Over
123456789	XXXXXXXXXX ABC Farm	SC1	1	Active		\$8.86	\$4.33	\$13.86	\$0.00	\$0.00	\$11.37	\$38.42	505.5	0.004	5/29/2020 To 6/5/2020	6/19/2020	12/31/9999	\$0.00	\$38.42	\$38.42	\$0.00	\$0.00	\$38.42
123456789	XXXXXXXXXX John Doe	SC1	1	Active		\$8.64	\$4.22	\$13.51	\$0.00	\$0.00	\$11.09	\$37.46	492.87	0.0039	5/29/2020 To 6/5/2020	6/19/2020	12/31/9999	\$0.00	\$37.46	\$37.46	\$0.00	\$0.00	\$37.46
123456789	XXXXXXXXXX Bryan Doe	SC1	1	Active		\$8.64	\$4.22	\$13.51	\$0.00	\$0.00	\$11.09	\$37.46	492.87	0.0039	5/29/2020 To 6/5/2020	6/19/2020	7/1/2020	\$0.00	\$37.46	\$37.46	\$159.62	\$37.46	\$0.00
123456789	XXXXXXXXXX XYZ Farm	SC1	1	Active		\$8.19	\$4.00	\$12.82	\$0.00	\$0.00	\$10.52	\$35.53	467.59	0.0037	5/29/2020 To 6/5/2020	6/19/2020	12/31/9999	\$0.00	\$35.53	\$35.53	\$0.00	\$0.00	\$35.53
123456789	XXXXXXXXXX Jane Doe	SC1	1	Active		\$7.75	\$3.79	\$12.12	\$0.00	\$0.00	\$9.95	\$33.61	442.32	0.0035	5/29/2020 To 6/5/2020	6/19/2020	6/30/2020	\$0.00	\$33.61	\$33.61	\$163.30	\$33.61	\$0.00
123456789	XXXXXXXXXX Renee Doe	SC1	1	Active		\$7.75	\$3.79	\$12.12	\$0.00	\$0.00	\$9.95	\$33.61	442.32	0.0035	5/29/2020 To 6/5/2020	6/19/2020	12/31/9999	\$0.00	\$33.61	\$33.61	\$0.00	\$0.00	\$33.61
123456789	XXXXXXXXXX Sunshine Farm	SC1	1	Active		\$7.31	\$3.57	\$11.43	\$0.00	\$0.00	\$9.38	\$31.69	417.04	0.0033	5/29/2020 To 6/5/2020	6/19/2020	6/22/2020	\$0.00	\$31.69	\$31.69	\$105.76	\$31.69	\$0.00
123456789	XXXXXXXXXX Stuart Doe	SC2D	1	Active		\$26.58	\$12.98	\$41.57	\$0.00	\$0.00	\$34.12	\$115.25	1516.51	0.012	5/29/2020 To 6/5/2020	6/19/2020	7/2/2020	\$0.00	\$115.25	\$115.25	\$318.59	\$115.25	\$0.00
123456789	XXXXXXXXXX Randy Doe	SC1	1	Active		\$6.87	\$3.35	\$10.74	\$0.00	\$0.00	\$8.81	\$29.77	391.77	0.0031	5/29/2020 To 6/5/2020	6/19/2020	12/31/9999	\$0.00	\$29.77	\$29.77	\$0.00	\$0.00	\$29.77
123456789	XXXXXXXXXX Grid Bros Farm	SC2	1	Active		\$0.44	\$0.22	\$0.69	\$0.00	\$0.00	\$0.57	\$1.92	25.28	0.0002	5/29/2020 To 6/5/2020	6/19/2020	7/6/2020	\$0.00	\$1.92	\$1.92	\$27.13	\$1.92	\$0.00

Appendix G – Documents Needed for Transfer of Ownership

Transfer of Ownership may either mean that the owner of the Value Stack Generating Facility is changing, or the Host Billing Customer account associated with the metering of the net grid injections 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 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.

A new net crediting enrollment may be required of the new owner.

Appendix I – CDG Unenrollment Process



Sample Letter Terminating Net Crediting Enrollment

1. Provide on Company Letterhead
2. Must be signed and dated by the billing customer of record in the Company's billing system
3. Submit using the "unenrollment" option on the Company's Net Crediting webpage:
4. Attach Net Crediting Agreement when submitting this letter

[Date]

Niagara Mohawk Power Corporation
d/b/a National Grid
via electronic file

RE: Letter of Unenrollment from CDG Net Crediting and Termination of Net Crediting Agreement

[Billing Customer Name] requests unenrollment of its CDG Project known as [Case Number, Total kWAC size and type of CDG system] at [project address] from the Company's net crediting program. This unenrollment request also conveys termination of the Net Crediting Agreement as entered into on [execution date of agreement] and attached hereto. I understand that net crediting will be terminated as of the end of the CDG Host billing cycle thirty (30) days after this unenrollment request has been accepted by the Company or as soon as is practicable as advised by the Company. The following instructions apply to this CDG project upon termination of the net crediting agreement: [check one box]

- ☐ Change the billing procedure for this project to traditional CDG billing under which full credits for CDG Satellites will be applied to customer bills and no CDG Host Payment will be provided to the billing customer
- ☐ Terminate all CDG billing for this project

By my signature I attest that all CDG Satellites receiving net credits from this project have been notified that net crediting will cease.

Version 1.0
As filed with NYPSC 8/31/2020



Signed,

Name
Billing Customer Company
Date

Appendix J – CDG Subsequent Allocation Request Process

