New York State Electric & Gas Corporation

Rochester Gas and Electric Corporation

Effective: October 28, 2022

Community Distributed Generation Value of Distributed Energy Resources ("VDER" or "Value Stack")

CDG VDER Procedural Requirements

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CDG VDER Procedural Requirements

1. INTRODUCTION

On July 17, 2015, the Public Service Commission ("PSC" or "Commission") issued the Order Establishing a Community Distributed Generation Program and Making Other Findings (the "Order"), in Case 15-E-0082[1] under which the policies, requirements and conditions for implementing Community Net Metering were established. (Community Net Metering is referred to as Community Distributed Generation ("CDG") in all communications.)

Subsequently, on March 9, 2017, the Commission issued its Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters in Case 15-E-0751 ("Value of Distributed Energy Resource Order" or "VDER Order") in which the policies, requirements, and conditions for Community Distributed Generation ("CDG") were updated to reflect a transition away from net metering.

On October 19, 2017, the Commission issued its Order Establishing Oversight Framework and Uniform Business Practices for Distributed Energy Resource Suppliers in Case 15-M-0180 which establishes Uniform Business Practices ("UBP- DERS") for oversight of distributed energy resources suppliers ("DERS" or "DER suppliers") and a more specific and detailed set of provisions for CDG providers.

On September 12, 2018, the Commission issued its Order on Value Stack Eligibility Expansion and Other Matters ("Expansion Order"), which enabled more generator technology types to be CDG Hosts.

On December 12, 2019, the Public Service Commission ("PSC") issued its Order Regarding Consolidated Billing for Community Distributed Generation in Case 19-M-0463 ("Net Crediting Order") which established the policies, requirements and conditions to implement Net Crediting. The terms of service for CDG that resulted from the VDER Order, the Expansion Order, and the Net Crediting Order are set forth in the New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E"), herein after jointly referred to as the "Companies" or individually as the "Company", Schedule for Electricity, NYSEG Tariff P.S.C. No. 119, NYSEG Tariff P.S.C. No. 120, and NYSEG Tariff P.S.C. No. 121 and RG&E P.S.C. No. 18 and RG&E Tariff P.S.C. No. 19 ("Tariffs").

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[1] Case 15-E-0082 – Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions for Implementing a Company Net Metering Program

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Under the CDG Program, there are three main parties: the CDG Host; CDG Satellites; and the Company. A CDG Host is the project sponsor and is responsible for owning or operating the generation facility, coordinating the project's interconnection and operation with the Company, and supervising and fostering cooperation among the project's satellites. CDG Satellites are electric customers of the Company who will own or contract with the CDG Host for a proportion of the credits accumulated at the generation facility's meter, as a percentage of monetary VDER compensation for the facility's output in excess of usage on the CDG Host's account. The Companies will be responsible for distributing the credits from the CDG Host's account in accordance with the CDG Host's instructions.

This procedural document ("Procedure") will set forth definitions, responsibilities, and establish the processes necessary for CDG projects to be eligible for Value Stack Compensation, and Net Crediting if chosen. Sections two through six lay out responsibilities, procedures, and guidelines for CDG Hosts with Value Stack Compensation. Additional responsibilities, procedures, and guidelines for projects electing to participate in Net Crediting are presented in the Net Credit Manual, section seven.

This Procedure may change from time to time based on experience, system enhancements, or subsequent PSC orders, including adoption or modification of the Uniform Business Practices[2]. In the event of any inconsistency between the rate schedule(s) or any PSC order of the above-mentioned requirements and this plan, the rate schedule(s) and PSC orders will govern. In the event of conflict between this Procedure, the CDG Net Crediting Agreement, and the Tariffs, such conflict will be resolved in the following order of preference: (a) the Tariffs: (b) the Net Crediting Agreement; and (c) this Procedure.

2. DEFINITIONS

Allocated Credit is the amount of the CDG Host value stack credit allocated to each CDG Satellite based on the allocation percentage provided by the CDG Host.

Applied Credit is equal to the portion of the Allocated Credit, plus any Banked Satellite Monetary Banked Credit, plus any Host Bank allocation, if applicable, that offsets the CDG Satellite's electric service bill from the Company each billing period. A CDG Satellite's applied credit cannot exceed the amount of a CDG Satellite's electric service bill from the Company during an individual billing period.

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[2] Case 15-M-0180 – Order Establishing Oversight Framework and Uniform Business Practices for Distributed Energy Resource Suppliers

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CDG Host: A non-residential Company customer that owns or operates electric generating equipment eligible for Value Stack Compensation for net energy produced by its generating equipment in accordance to NYSEG P.S.C. No. 120 and RG&E P.S.C. No. 19 whose compensation is applied to the accounts of other electric customers ("CDG Satellites") with which it has a contractual arrangement related to the disposition of Value Stack credits.

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

CDG Host Banked Monetary Credit: Credits that are remaining on the CDG Host's account. Market Transition credits cannot be banked on the Host account. The Banked Monetary Credits shall be carried forward on the CDG Host Account, less the Market Transition Credit, to the succeeding bill period until the earlier of:

    a. CDG Host notifies the Company of the subscribers to receive the Banked Monetary Credits and the amount of credits to be allocated to the subscriber; or

    b. The two-year grace period has expired.

CDG Satellite: An electric Company customer who is participating in a CDG Program. Each customer shall own or contract for a proportion of the Value Stack Credits accumulated at the meter of the CDG Host.

CDG Satellite Banked Monetary Credit: If a monetary credit remains on any CDG Satellite Account, the remaining credit will be carried forward on that CDG Satellite Account to the succeeding billing period.

Excess Generation: The electricity net export net hourly injections supplied by the CDG Host to the Company during the billing period.

Value Stack Credits: the credits generated for compensation of Excess Generation from the CDG Project pursuant to the Value of Distributed Energy Resources ("VDER") section of NYSEG P.S.C. No. 120 or RG&E P.S.C No. 19.

3. CDG HOST ELIGIBILITY PROVISIONS

    a. Participating CDG Hosts must be registered with the Commission in accordance with the UBP-DERs and conform to the requirements of all relevant Commission orders.

    b. The CDG Host is a non-residential customer who owns or operates electric generating equipment eligible for VDER compensation as described in NYSEG Tariff P.S.C. No. 120 40.B.1

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and RG&E Tariff P.S.C. No. 19 26.B.1. for the net energy produced by its generating equipment, applied to accounts of other electric customers ("CDG Satellites") with which it has a contractual arrangement related to the disposition of Value Stack Credits.

c.   The CDG Host has a contract in writing with each of their satellite customers for a portion of Value Stack compensation for the Excess Generation at the meter of the CDG Host and ensures all CDG Satellites meet participation requirements.

d.   The Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellites including contractual terms, pricing, dispute resolution and contract term.

e.   Parties must meet all terms and conditions of this Procedure, which may be amended or superseded from time to time.

f.   Parties must meet the requirements of the PSC that are adopted pursuant to its Orders, issued in Case 15-E-0082[3], Case 15-M-0180[4], Case 15-E-0751[5], and if applicable, Case 19-M-0463[6].

g.   The CDG Host is certifying in writing to the Company, both prior to commencing service under CDG and annually thereafter, that it has met all requirements established and is in compliance with all applicable laws and the Confidentiality Agreement or Data Security Agreement. CDG Hosts with an electronic connection to the Company other than by email will be required to execute a Data Security Agreement with the Company.

4. CDG HOST PROGRAM PROVISIONS

The CDG Host shall:

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[3] Case 15-E-0082 – Proceeding on Motion of the Commission as to the Policies, Requirements and Conditions for Implementing a Company Net Metering Program
[4] Case 15-M-0180 - In the Matter of Regulation and Oversight of Distributed Energy Resource Providers and Products
[5] Case 15-E-0751 - Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters)
[6] Case 19-M-0463 - In the Matter of Consolidated Billing for Distributed Energy Resources

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a. Comply with all requirements of the Public Service Commission and with the Companies' electricity rate schedule, NYSEG P.S.C. No. 119, NYSEG P.S.C. No. 120, and NYSEG P.S.C. No. 121 and RG&E P.S.C. No. 18 and RG&E P.S.C. No. 19 which may be amended from time to time.

b. Operate in compliance with the standards and requirements set forth in the New York State Standardized Interconnection Requirements ("SIR).

c. Provide consistent and fair treatment to customers.

d. Maintain processes and procedures to resolve customer inquiries and complaints related to the CDG project without undue discrimination in an efficient manner and provide an acknowledgement or a response to a customer inquiry within 2 days and if only an acknowledgement is provided, a response within 14 days.

e. Direct the customer to contact NYSEG at 1.800.572.1111 or RG&E at 1.800.743.2110 if an inquiry is specific to Company service or billing.

f. Maintain information regarding customer inquiries and complaints pertaining to its products and services and designate a representative to provide information relating to customer inquiries and complaints to the Department of Public Service (alternatively referred to as "DPS", "Department" or "Staff").

g. Seek to resolve disputes among CDG Satellites in the first instance. If the dispute cannot be resolved, the Satellites can contact DPS to pursue the dispute resolution process available at the Department of the Public Service Commission to resolve disputes between CDG Host and Satellites.

h. Obtain written authorization from the customer to request and receive the customer's historical consumption prior to providing the customer's name and account number to the Company in accordance with the Data Exchange Protocols outlined in Appendix C, or other available Company methods such as Electronic Data Interchange or Secured Service Site.

i. Certify that it has written authorization from the customer to request and receive the customer's historical usage information upon request of the information from the Company.

j. Certify it has entered into a written contract with a customer upon submitting CDG Allocation Requests on behalf of such customer.

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k. Be a non-residential customer with a Generation Facility as described in NYSEG Tariff P.S.C. No. 120 40.B.1 and RG&E Tariff P.S.C. No. 19 26.B.1.

l. Certify in writing to the Company, both prior to commencing VDER service under CDG and annually thereafter, that it has met all requirements established and is in compliance with all applicable laws and CDG program requirements.

m. Certify they can satisfy the obligations assumed with respect to their CDG Satellites.

n. Be and remain in good standing in the Company's CDG program and all other Company programs, as applicable, and the CDG Host shall not be in default under any agreement by and between CDG Host and Company.

o. Not request termination or suspension of the Company's electric service to a CDG Satellite Account.

5. CDG PROCESS RESPONSIBILITIES

The Parties shall be responsible for complying with all the following processes and associated customer care activities:

Distributed Generation Application

a. Complete and submit the Standard Interconnection Requirements document to the Company via distributedgenerationadmin@iberdrolausa.com.

b. After submitting an application for Distributed Generation, the applicant will receive a project file number.

c.   After receiving approval from the Company and meeting all requirements related to the interconnection of the facility, the applicant shall be notified of their effective interconnection date via a final installation letter.

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CDG Host Required Documents

Complete and submit the following documents to the Companies via NYSEG_CDG@nyseg.com or RGE_CDG@rge.com:

    a. CDG Value Stack Host Information Form (Appendix A)
    b. CDG Value Stack Host Certification (Appendix B)
    c. CDG Value Stack Data Exchange Protocols (Appendix C)
    d. Agent Authorization Form (Appendix D) as applicable.

Once the required documents have been submitted, the CDG Host will receive an email that includes the Data Security Rider and Confidentiality Agreement or the Data Security Agreement (see section 6). After the CDG Host reviews the Data Security Rider or Data Security Agreement, it should be signed and emailed to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com.

If the CDG Host wishes to enroll the project in the Net Crediting Program, additional required documents must be submitted as discussed in Section 7.B below.

Data Exchange processes

After all CDG Host Required Documents are received, the Company will send the following to the CDG Host via separate emails:

    a. CDG Host ID, to be used in the file nomenclature
    b. CDG Host password for protected spreadsheets
    c. Password protected spreadsheets (Historical and Initial/Subsequent/Banked Allocation Requests)

The above information will be emailed to the address provided in Appendix A within 10 business days, or another timeframe that is mutually agreeable.

The CDG Host shall submit requests to the Companies via email with request contents contained in an attached password protected Excel file. CDG Host inquiries related to the administration and/or billing of the CDG program shall be directed to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com. Requests shall be submitted to same email.

The Company will confirm via email acceptance or denial of each request within 5 business days, or other timeframe that is mutually agreeable, upon receipt of each data request.

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Sample spreadsheets and required spreadsheet file naming conventions for Historical Consumption, Initial Allocation, Subsequent Allocation, and Banked Allocation Requests can be found in Appendix C, CDG Value Stack Data Exchange Protocols.

The Data Exchange processes are defined below:

- A. Historical Consumption Request
- B. Initial Allocation Request
- C. Subsequent Allocation Request
- D. Banked Allocation Request
- E. Satellite Account Closure and Notification

A. Historical Consumption Request

    i. Data will be returned for all valid account numbers requested and include up to 12-months of usage when available.

    ii. Invalid account numbers submitted will be identified with the appropriate error message as outlined in Appendix C.

B. Initial Allocation Request

    i. Initial Allocation Requests must be received a minimum of 60 days before commencing billing under CDG. The host shall designate the Host Account and the CDG Satellite Accounts in the initial Allocation Request.

        a. Accepted Allocation Requests will be effective with the first full Host Account billing period from the later of 45 days after receipt of such request or effective date of interconnection.

        b. The CDG Host has the option to request that if a CDG Satellite is rejected, the CDG Satellite be removed and the percentage originally allocated to that CDG Satellite, be added to the CDG Host's allocation percentage. The CDG Host must select "Yes" in the specified cell on the allocation file consenting to the automatic removal of the CDG Satellite. The file will then be marked Accepted.

    ii. The CDG Host will communicate to the Company any electric metered CDG Satellite Accounts with which it has a contractual agreement related to the disposition of Value Stack Credits via email. Satellite allocations of Host Account VDER compensation for Excess Generation should be specified in a percentage up to three decimal places of accuracy.

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iii. Satellite allocations must total 100% or less. For Satellite allocations less than 100%, the CDG Host must designate the remaining percentage to their CDG Host account.

iv. The CDG Host must designate no fewer than ten CDG Satellites accounts with active NYSEG or RG&E electric service under NYSEG P.S.C. No. 120 and P.S.C. No. 121 or RG&E P.S.C. No. 18 and P.S.C. No. 19 except when the project:
   a. is located on the site of a property serving multiple residential or non-residential customers.
   b. only serves farm operations ("CDG Farm Project"), as defined in PSL Agricultural and Markets Law, Section 301(11); and residences of individuals who own or are employed by the served farm operations. A CDG Farm Project that seeks to waive the minimum number of Satellite Accounts shall be responsible for certifying to the Company that each Satellite Account is either a farm operation or the owner or employee of one of the farm operation Satellite Accounts

v. No more than 40% of the Excess Generation of the CDG Host may serve CDG Satellites that have an average of 25 kW or greater in the past twelve months (for those members collectively); provided, however, that the CDG Host may include each dwelling unit located within a multi-unit building and served indirectly as though it were a separate participant for determining whether the ten CDG Satellite minimum and 40% output limits are reached.

vi. The CDG Host may not request an allocation for an account that is a net metered customer-generator a Remote Net Metered Host or Satellite Account or taking Standby Service under NYSEG P.S.C. No. 120, Service Classification 11 or RG&E P.S.C. No. 19, Service Classification 14.

vii. The CDG Host account and all associated CDG Satellites can be located in different NYISO zones located within the Company's service territory.

viii. Each Satellite allocation distribution percentage must amount to at least 1,000 kWh annually but may not exceed the CDG Satellite Account's historic average annual kWh usage (or forecast usage if historic data is not available).

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    ix.   The Company will validate the request and respond with the appropriate error message as outlined in Appendix C. A password protected spreadsheet will be attached to the email and note the specific reason(s) for failure as documented in Appendix C.

    x.   If, a request does not pass validation, the entire request will be rejected, unless "Yes" is selected as described in Section 5 B.i.b of this document. The CDG Host must submit a new Allocation Request to the Company. An accepted request must be received 45 days before billing under CDG will commence starting with the time a new file is received.

    xi.   If a valid initial request is not accepted by the Company 45 days prior to the CDG Host's first utility bill after interconnection is completed, the entire value stack allocation is banked on the CDG Host account. A Banked Allocation Request must be used to distribute the allocations banked on the CDG Host.

C. Subsequent Allocation Request

    i.   After commencing service under the CDG Program, the CDG Host may modify its CDG Satellite Accounts and/or the percentage allocated to itself or one or more of its CDG Satellite Accounts once per CDG Host billing cycle by giving notice to the Company no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply.

    ii.   The information contained in the Subsequent Allocation Request will follow the same request format, validation, and submittal process as outlined in the Initial Allocations Requests section above and as noted in Appendix C, except as noted in subparagraphs below.

        a.   CDG Host must include all CDG Satellites allocations when submitting a revised distribution percentage for any of their Satellite customers.

        b.   Accepted requests will be effective with the first full CDG Host bill period after 30 days receipt of an accepted Allocation Request.

        c.   Only one valid Allocation Request will be accepted in a calendar month. If the request is rejected, a new Allocation Request can be submitted in the same calendar month.

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D. Banked Allocation Requests

The CDG Host may choose to submit a Host Banked Allocation Request to fully distribute 100% or a partial amount of the Host Account's Banked Monetary Credits to its members.

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

 i. The CDG Host may furnish to the Companies a Banked Allocation request at any time. A Banked allocation is effective for a one-time allocation only.

 ii. The most recent Allocation Request in effect prior to the Banked Allocation Request will continue to be applied to all on-going allocations unless a new Subsequent Allocation request is submitted.

E. Satellite Account Closure

 i. The Company may close a customer's account for multiple reasons including but not limited to (a) bankruptcy, (b) shut off for non-payment, or (c) customer request.

 ii. A CDG Satellite Account shall no longer receive credits after the final bill is rendered on its account. Any remaining credits after application to the Satellite Account's will be transferred back to the CDG Host Account, as described in the Companies' Tariffs.

 iii. Satellite Account closures will be communicated via the Applied Credit Report on the "Dropped" tab.

F. Host Account Closure and Transfer of Ownership

 i. A CDG Host shall notify the Company of any change in ownership of the CDG project or ownership structure, including party responsible for the CDG Host utility bill, in writing via NYSEG_CDG@nyseg.com or RGE_CDG@rge.com, at least sixty days prior to the effective date of the change.

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ii.   Per Company Tariffs, any remaining banked credits after a CDG Host's final bill is rendered shall not be transferred. Prior to their final bill, a CDG Host may submit a Banked Allocation Request per section 5D to avoid forfeiture of credits banked at the CDG Host.

iii.   The new owner or entity responsible for the CDG Host project shall constitute a new CDG Host. The new CDG Host will be provided a new CDG Host account, Host ID, and allocation forms.

Allocation and Applied Credits

A CDG Satellite's Allocated Credit will be calculated each CDG Host billing period as per the Company's Value Stack Tariff. CDG Satellites are Applied Credits based on the CDG Satellite's bills with a bill period end date after the CDG Host Billing date. A CDG Satellite may have Value Stack Credits applied to their bill up to the amount of the electric portion of their bill. If the CDG Satellite is allocated more credits than they can use on their bill, the remaining Value Stack Credits will be banked on the CDG Satellite's account to be used towards further bills.

A. Applied Credit Report

The Applied Credit Report is a monthly report sent to the CDG Host showing the amount of Value Stack Credits that were applied to each CDG Satellite's bill for the time period specified. The Applied Credit Report shows the Value Stack Credits allocated for the current month, Value Stack Credits that had previously been allocated but still not applied to a bill, the amount of Value Stack Credits that were applied to the Current bill, and any remaining credits that will be banked and available for use on a future bill.

Bill Period	06/11/20 - 07/13/20														
Account Number	Service Class	Distribution Percentage	KWH Allocation	Energy Plus Losses	Capacity	Environmental	MTC	DRV	LSRV	Value Stack Credit This Month	Previous Credit	Subscriber Credit Applied to Current Bill	Banked Credits from Host	Finaled Accounts added back to Host	Credits to be Banked
xxxxxxxxxx SC02	0	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,785.79				$ 1,785.79
xxxxxxxxxx SC01	9.413%	4666	$ 82.00	$ 48.39	$ 127.89	$ 104.99	$ 19.00	$ -	$ 382.27	$ 170.33	$ 453.70			$ 98.90
xxxxxxxxxx SC01	4.525%	2243	$ 39.42	$ 23.26	$ 61.48	$ 50.47	$ 9.13	$ -	$ 183.76	$ 43.68	$ 138.98			$ 88.46
xxxxxxxxxx SC01	5.967%	2958	$ 51.98	$ 30.67	$ 81.08	$ 66.55	$ 12.04	$ -	$ 242.32	$ -	$ 242.32			$ -
xxxxxxxxxx SC01	10.170%	5041	$ 88.60	$ 52.28	$ 138.18	$ 113.43	$ 20.53	$ -	$ 413.02	$ 159.03	$ 240.68			$ 331.37
xxxxxxxxxx SC08	4.786%	2372	$ 41.69	$ 24.60	$ 65.03	$ 53.38	$ 9.66	$ -	$ 194.36	$ -	$ 194.36			$ -
xxxxxxxxxx SC08	5.707%	2829	$ 49.72	$ 29.34	$ 77.54	$ 63.65	$ 11.52	$ -	$ 231.77	$ -	$ 231.77			$ -

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B. Cancel/Rebill

If a CDG Satellite is issued a cancel-rebill, the Allocation File that was effective on the bill period end date of the CDG Satellite's cancelled bill will be applicable for the rebill, including whether the CDG Satellite was a part of that CDG project or not.

If a CDG Host rendered bill requires a correction, the Company will contact the CDG Host to discuss the issue and determine the appropriate steps for resolution.

6. CONFIDENTIAL INFORMATION AND DATA SECURITY REQUIREMENTS

The CDG Host agrees to enter into an agreement and abide by the Company's Data Security Requirements and Confidentiality Agreement. If the Host wishes to electronically receive or exchange customer information, other than email, from a direct connection with the Company's IT systems, the Data Security Agreement and Self Attestation must be signed instead.

7. NET CREDITING MANUAL

On December 12, 2019, the PSC issued the Order Regarding Consolidated Billing for Community Distributed Generation ("Net Crediting Order"), in Case 19-M-0463[7] under which the policies, requirements and conditions for implementing Net Crediting were established.

Beginning April 1, 2021, the Companies will offer the Net Crediting Program as an option to any CDG Value Stack Project that is interconnected or filing for interconnection, within the Company's service territory, subject to the eligibility requirements set forth herein. Submission of Net Crediting Enrollment materials can commence after January 1, 2021.

The Net Crediting Program allows satellites to receive one bill from their Company showing their Net Member Credits. This differs from the traditional CDG billing model where a satellite receives two bills, one from both the Company and one from the CDG Host. The Company will apply a portion of the CDG Project's Value Stack Credits to the CDG Satellites' electric Company accounts per NYSEG P.S.C. No. 120 and NYSEG P.S.C. No. 121 or RG&E P.S.C No.18 and RG&E P.S.C No. 19 and remit the remainder to the CDG Host, less the Utility Administrative Fee.

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[7] Case 19-M-0463 – In the Matter of Consolidated Billing for Distributed Energy Resources

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A. Definitions

1. **CDG Host Payment** is the monthly payment from the Company, separate from the CDG Host's retail electric bill, to the CDG Host representing the sum of CDG Subscription Fees from the CDG Project for Net Credits applied to satellite accounts, less the Utility Administrative Fee which will be retained by the Company.

2. **CDG Savings Rate** is the rate used to calculate the value of the CDG Project's monthly Value Stack Credits that will be provided by the Company to CDG Satellites' electric Company accounts, allocated as directed by the CDG Host, where such rate shall not be less than five percent. The same CDG Savings Rate must be used for all CDG Satellites subscribed to the CDG Project, except for the Excluded Anchor Customer, if applicable.

3. **CDG Subscription Fee** is the amount of the Applied Credit withheld from a CDG Satellite's Company bill for the amount owed to the CDG Host, calculated pursuant to NYSEG P.S.C. No. 120 and NYSEG P.S.C. No. 121 or RG&E P.S.C No.18 and RG&E P.S.C No. 19.

4. **Excluded Anchor Customer** is a demand-billed, non-mass market Company electricity customer with average demand greater than or equal to 25kW in the last twelve months that enters into a contract to participate as an enrolled Satellite in the CDG Project that the CDG Host identifies as being excluded from the Net Crediting Program. If the CDG Host notifies the Company that the CDG Project has an Excluded Anchor Customer, the Company will not apply the CDG Savings Rate to Applied Credits for the Excluded Anchor Customer. Only one Excluded Anchor Customer may be excluded from the Net Crediting Program per CDG Project.

5. **Net Crediting Program** is a voluntary program offered by the Company to CDG Hosts. The Company's Net Crediting Program as implemented pursuant to the Net Crediting Order where the Company applies a portion of the Applied Value Stack Credits to the CDG Satellites' electricity Company account and remits payment for the remainder to the CDG Host, less the Utility Administrative Fee.

6. **Net Crediting Subscription Contract** is the agreement between the CDG Host and each CDG Satellite participating in the Net Crediting Model.

7. **Net Member Credits** are the resulting credits on the CDG Satellite's electricity Company account calculated pursuant to NYSEG P.S.C. No. 120 and NYSEG P.S.C. No. 121 or RG&E P.S.C No.18 and RG&E P.S.C No. 19 , 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 Monetary Credits.

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8. **Utility Administrative Fee** is the amount of the monthly value of the CDG Project's Value Stack Credits that the Company will retain, to cover implementation and administration of the Net Crediting Program, as approved by the Commission. The rate used to calculate the Utility Administrative fee is specified in the Company's Tariffs. The initial rate approved by the Commission is one percent and may be updated by the Company from time to time.

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B. Net Crediting Host Enrollment Process

1. The CDG Host enrolls or re-enrolls the CDG Project by filling out and signing Appendix E, the Community Distributed Generation Net Crediting Agreement and submitting via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com. The Company will sign and return the Net Crediting Agreement to the CDG Host once all completed documents are received. A signed agreement must be received for each CDG Project to be enrolled in the Net Crediting Program.

2. The CDG Host must also complete Appendix F, the Net Crediting Consent Form and submit via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com. On this form, the CDG Host shall designate an initial CDG Savings Rate which will be applicable to all CDG Satellites for the CDG Project.

3. The CDG Host must be current on their utility account tied to the CDG Host project to be eligible and participate in Net Crediting.

4. If the CDG Host identifies an Excluded Anchor Customer in the Net Crediting Consent Form, the Company will not apply a CDG Savings Rate to the Excluded Anchor Customer's Applied Credits. The Company will not pay the CDG Host a CDG Subscription Fee for the Excluded Anchor Customer.

5. The CDG Host must also complete and submit the following documents.
   NOTE: these forms are only available via email request to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com:
   - Appendix H (Vendor Creation Modification Form)
   - Appendix I (ACH Authorization Form)
   - Business Classification Form

   In addition, Host must also submit:
   - Appendix G (W9 Form)
   - voided check / bank signed letterhead with banking information / vendor signed letterhead with banking information. Requirements for each are noted in Appendix I.

   Completed forms are to be submitted via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com.
   NOTE: The Company will not split payments between the owner and any other agent of the project. Additional NOTE: Avangrid can only establish one ACH account per Company, per Vendor, per Tax Identification number, regardless of the business purpose.

CDG VDER Procedural Requirements

6. By signing the Net Crediting Consent Form and submitting Net Crediting Allocation Requests, the CDG Host certifies they have entered into written contracts with each of its CDG Satellites acknowledging that each CDG Satellite will receive Net Credits pursuant to the Net Crediting Program.

7. A new CDG Host resulting from a transferring ownership of the Value Stack project or party responsible for utility billing account tied to a CDG project wishing to participate in Net Crediting, shall execute and submit all required enrollment documentation as described above, at least sixty days prior to the final meter read date of the prior CDG Host.

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CDG VDER Procedural Requirements

C. Net Crediting Allocation Requests

1. When a project is accepted into the Net Crediting Program, they will be given a Net Crediting Allocation Request File. This file should be used instead of the standard Allocation Request File to designate monthly Host and Satellite allocations. Included on the Net Crediting Allocation File will be a place where the Host must fill in the CDG Savings Rate for each Allocation Request that is sent in (see Appendix C).
2. While the Net Crediting Allocation request form is in a different format from the Subsequent Value Stack CDG Allocation Request, the process is the same as Subsequent Allocation Requests described above.
3. If applicable, an Excluded Anchor Customer must be noted in the designated spot on the Allocation Request.

D. Net Crediting Process Timelines

1. For new CDG Projects wishing to enroll in the Net Crediting Program, the necessary documents, as described above, must be approved no less than 60 days prior to commencing CDG billing. CDG Net Crediting will be effective with the first CDG Host bill, only if all net crediting enrollment documentation is completed and received 60 days prior to the first CDG Host bill. Otherwise, CDG Net Crediting will be effective with the next CDG Host bill on or after 60 days from which the Company received all completed net crediting enrollment documentation.
2. For active CDG Projects wishing to enroll in the Net Crediting Program, the necessary documents, as described above, must be approved no less than 60 days prior to the CDG Host Account's cycle billing date to which the modifications apply. The Company will advise the CDG Host of the CDG Host Bill effective date that Net Crediting will begin. Projects will be enrolled on a first come first serve basis. The Company will use best efforts to enroll projects as soon as possible.
3. CDG Satellites will begin receiving their Net Credits for bill periods ending after the CDG Host Bill effective date.
4. If a project wants to unenroll from the Net Crediting Program, the CDG Host must submit a completed Net Crediting Consent Form requesting to unenroll in the Net Crediting Program no less than 45 days prior to the CDG Host Account's cycle billing date to which the modifications apply. The CDG Host must provide a termination letter with self-certification that CDG Satellites have been notified of the unenrollment and that they will no longer receive net credits from the CDG Host project as of the termination effective date.
5. For active CDG Projects wishing to re-enroll, the CDG Host will be able re-enroll 12 months after unenrolling from the Net Crediting Program.

CDG VDER Procedural Requirements

6. The CDG Host Payments will occur via ACH monthly, after each CDG Host read date. See section H below for more details.

E. CDG Savings Rate

1. The CDG Savings Rate can be updated once every six months, during the months of March and September, by submission via the Net Crediting Allocation Request. The CDG Host may update the CDG Savings Rate no earlier than six months from the initial effective date of the CDG Host's enrollment in the Net Crediting Program. The CDG Host shall comply with the Subsequent Allocation CDG Procedures and Timelines to change the CDG Savings Rate.
2. The CDG Host must ensure they have affirmative consent from all affected customers prior to submitting a reduction to the project's CDG Savings Rate.
3. The CDG Savings Rate shall be a minimum of five percent and no greater than 100 percent minus the Utility Administration Fee percentage rate.
4. The CDG Savings Rate shall have the precision of no more than two decimal places expressed in whole percentage increments (e.g. 0.07, 7%) and be specified as a decimal on the Net Crediting Allocation Request File.
5. The CDG Savings Rate will become effective on the same date to which the CDG Host Account's cycle billing date to which the allocations apply. The CDG Savings Rate will be applicable to Satellite bills with a bill period end date after the Savings Rate effective date.
6. The CDG Savings Rate applicable to Banked Allocation Requests will be the same as the CDG Savings Rate effective for Subsequent Allocation Requests processed during the same period.

F. The Excluded Anchor Customer

1. Can be updated monthly and should be submitted on the Allocation Request. The CDG Host shall comply with the Subsequent Allocation CDG Procedures and Timelines.
2. The updated Excluded Anchor Customer will become effective on the same date to which the CDG Host Account's cycle billing date to which the allocations apply, including any from a Banked Allocation Request. The Excluded Anchor Customer will be applicable to the affected Satellite bills with a bill period end date after the Excluded Anchor Customer's effective date.
3. The CDG Savings rate will not apply to the Excluded Anchor Customer, if applicable.

CDG VDER Procedural Requirements

G. Calculation of the Net Credit, CDG Satellite Payment and Utility Administrative Fee

1. The CDG Savings Rate applied to a CDG Satellite's bill will be the rate in effect, as described in E.4., on the CDG Satellite's bill period end date, regardless of the savings rate in effect during the billing period for which the underlying Value Stack Credit was allocated by the CDG Host.

2. A CDG Subscription Fee will be calculated for a CDG Satellite's Applied Credit each billing period. The CDG Subscription Fee is equal to the amount of the Applied Credit multiplied by a percentage equal to one minus the CDG Savings Rate.

3. Each billing period, the Company shall post the Applied Credit to the CDG Satellite's electricity charges and post a debit for the CDG Subscription Fee, resulting in a Net Credit to the Satellite.

   > For example, a CDG Satellite is allocated a credit of $100 pursuant to the CDG Host's direction. The CDG Satellite's electricity charges on their Company bill are $90. The Applied Credit is $90 and $10 is carried over to the CDG Satellite's subsequent billing period. Using a Savings Rate of five percent, the CDG Subscription Fee is $85.50 (*i.e.*, $90 x (1-.95) = $85.50). The Satellite's Net Credit for the billing period is $4.50.

4. The Utility Administrative Fee is equal to the Applied Credit multiplied by the Utility Administrative Fee percentage rate. Note: The rate used will be the rate effective at the time the CDG Satellite's Applied Credit is calculated.

   > Using the above example, the Utility Administrative Fee is $0.90 (*i.e.*, $90 Applied Credit multiplied by the one percent Utility Administrative Fee).

5. If the CDG Host identifies an Anchor Customer, the Company will not apply any CDG Subscription Fee to the Anchor Customer's portion of the Applied Credit.

6. For the first billing cycle to which Net Crediting is applicable and all subsequent billing cycles, the CDG Savings Rate will be applied to any Satellite Banked Monetary Credits and Host Bank allocation applied to the CDG Satellite's bill that month. This includes any Satellite Banked Monetary Credits and Host Bank allocation that existed on the CDG Satellite's account prior to the Project's participation in the Net Crediting program.

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CDG VDER Procedural Requirements

7. Following is an example of the CDG Net Crediting.

Illustrative Example of CDG Net Crediting Model Credits and Payments

For one billing month — Green cells are inputs; Yellow cells are taken from the monthly bill (illustrative only)

a	CDG Savings Rate	10%	As set by CDG Sponsor	
b	Utility Administrative Fee Rate (i.e., Discount Rate)	1.00%	Set by NYPSC 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	Calculated Credits, Before CDG Savings Rate Applied	Net Member Credit[4]	Excluded Anchor Satellite Credit[5]	CDG Satellite Remaining electric	Ending banked credits	CDG Subscription Fee
		a	j	$k = c \cdot j$	l	$m = k + l$	n	$o = -\min(-m,n)$	$p = o \cdot a$	$p1 = o$	$q = n + p$	$r = -\max(0, -m-n)$	$s = o - p$
d	Unallocated (Banked to CDG Host for future redistribution)[1]	N/A	20.000%	-$200	-$1,000	-$1,200						-$1,200	
e	CDG Satellite 1	10%	15.000%	-$150	$0	-$150	$100	-$100	-$10		$90	-$50	-$90
f	CDG Satellite 2	10%	25.000%	-$250	-$100	-$350	$400	-$350	-$35		$365	$0	-$315
g	CDG Satellite 3	10%	10.000%	-$100	$0	-$100	$50	-$50	-$5		$45	-$50	-$45
h	Excluded Anchor Satellite[1]	N/A	30.000%	-$300	-$400	-$700	$1,000	-$700		-$700	$300	$0	$0
	Subtotal		100.000%	-$1,000	-$1,500	-$2,500			-$50			-$1,300	-$450

$t = \text{sum}(e:h)$

Utility Administrative Fee[7]	-$5	$u = b \cdot \text{sum}(o, \text{rows } e:g)$
CDG Sponsor Payment[8]	-$445	$v = t - u$
Calculation Check	$0	Good

$c - \text{sum } p - p1 - u - v - (\text{sum } r - \text{sum } l)$

Notes:

[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

H. Net Crediting Payments to CDG Host

1. Payments will be issued within 40 days of rendering a CDG Host Bill.
2. Payments will equal the Net CDG Subscription fees applied to Satellite accounts for the period between the prior CDG Host bill and current Host bill, less the amount owed to the Company for applicable Utility Administrative Fees.
3. A Company's cancel/rebill of a CDG Satellite results in recalculation of their Net Credit and therefore an adjustment to the CDG Subscription Fee and Host payment.
4. The Company will continue to make payment to the CDG Host for CDG Satellites in arrears on their utility account.
5. For CDG projects participating in the Net Crediting program fields will be added to the existing Host Applied Credit Report to include Net Credit, Sponsor Payment, Savings Rate and Utility Fee by Satellite. Payments will reflect the amounts in the Host Applied Credit Report. An example of the Applied Credit Report is below.

CDG VDER Procedural Requirements

Account Number	Service Class	Distribution Percentage	Previous Month's Bank	New Credit Allocation from Host	Total Credit Applied to Current Bill	CDG Net Credit	Utility Fee	Host Payment	New Bank Balance	MTC Eligible	KWH Allocation	Energy Plus Losses	Capacity	Environmental	MTC	DRV	LSRV	Community Credit
xxxxxxxxxx	SC06	0.03927	$ 15.25	$ 71.22	$ (74.28)	$ (3.71)	$ (0.74)	$ (69.83)	$ 12.19	Comm MTC	-969	$ (17.51)	$ (2.86)	$ (23.48)	$ (30.43)	$ -	$ -	$ -
xxxxxxxxxx	SC08	0.02421	$ 12.37	$ -	$ (12.37)	$ (0.62)	$ (0.12)	$ (11.63)	$ -	Res MTC	-161	$ (2.92)	$ (0.48)	$ (3.91)	$ (5.06)	$ -	$ -	$ -
xxxxxxxxxx	SC01	0.02165	$ -	$ 86.65	$ (82.41)	$ (4.12)	$ (0.82)	$ (77.47)	$ 4.24	Res MTC	-1148	$ (20.75)	$ (3.40)	$ (27.83)	$ (30.43)	$ -	$ -	$ -
xxxxxxxxxx	SC01	0.02165	$ 86.65	$ -	$ (86.65)	$ (4.33)	$ (0.87)	$ (81.45)	$ -	Res MTC	-831	$ (15.02)	$ (2.46)	$ (20.15)	$ (22.03)	$ -	$ -	$ -

6. The Company must receive changes to banking information at least 60 days prior to the CDG Host Account's cycle billing date on which the banking information will become effective. To request a change, resubmit Appendix I - ACH Authorization Form and necessary documentation to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com.

I. Satellite Removal from an Active Net Credit Project

1. For CDG Satellite accounts that receive a final bill, the disposition of remaining credits will be done as described above in Section 5.E. The Company will cease payment to the CDG Host for any remaining CDG satellite credits.
2. For active Company accounts, former CDG Satellites of a CDG Host participating in Net Crediting (Company accounts without an allocation for the most recent CDG Host Bill) will continue to receive Net Credits resulting from any prior Satellite Banked Monetary Credits until such bank is depleted.
3. A customer cannot enroll with new CDG Host until banked/carry-over credits used.

J. Bill Message

1. No bill messages will be allowed until the Company completes their CDG Value Stack Automation.
2. The Net Crediting Manual will be updated with new procedures for bill messages once automated.

K. Bill Print

1. For the manual process, the Company will include total Value Stack Applied Credit and CDG Subscription Fee on CDG Satellite bills.
2. Once automated, the Company plans to provide updated information on CDG Satellite bills. The additional information will contain the CDG project name, CDG project contact phone number, CDG Website, total value stack credit, CDG Subscription Fee, Savings rate, and net credit amount.

CDG VDER Procedural Requirements

The CDG project name and contact phone number must be provided in the Enrollment documentation.

L. Additional Items

1. If the CDG Host receives a CDG Satellite subscription fee payment directly from a CDG Satellite for an applied credit in which the CDG Host also received payment from the Company, the CDG Host will return such payment to the CDG Satellite.

2. A CDG Host may not charge any additional fee or otherwise require additional payment outside of the Net Crediting arrangement for mass market customers.

3. If the CDG Host fails to pay any tariff charges on the CDG Host account for which a written bill has been rendered:
     i. and arrears exceed 30 days, then the Company shall withhold the CDG Host payment until the CDG Host has provided payment of the full amount in arrears.
     ii. and arrears exceed 90 days, the Company shall remove the CDG Host from the CDG Net Crediting Program.

4. The CDG Sponsor shall handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Utility. The Utility will remain responsible for resolving Utility billing-related customer inquiries and complaints

5. Budget Billed customers will see their monthly electric installments reduced on each bill by the Net Credit amount.

6. Cancel/Rebill
     i. If a Satellite is issued a cancel rebill, the type of crediting (Net Crediting or 100% of the Applied Credits) that was effective on the bill period end date of the cancelled bill will be applicable for the rebill, including former Satellites of CDG Host.
     ii. If a Satellite is issued a cancel rebill, the CDG Savings Rate that was effective on the bill period end date of the cancelled bill will be applicable for the rebill.

CDG VDER Procedural Requirements

7. Taxes
    i. The Company is not responsible for assessing or collecting any taxes on payments made to the CDG Host.
    ii. CDG Hosts have the obligation of remitting any applicable taxes on subscription fees to the appropriate federal, state, or local taxing authority.
    iii. The Company will not report CDG Host payments under Net Crediting to the Internal Revenue Service as income and no Form 1099's will be issued to CDG Host payments.

8. If the Company declares a Force Majeure event, the timelines and processes outlined in this Procedure may be impacted.

CDG VDER Procedural Requirements

8. TRACK CHANGES

This section is used to track changes to this document.

Effective Date (MM/DD/YYYY)	Revision Title	Revision Description
10/01/2020	Original Document	Original Document Effective
04/01/2021	60/40 Rule: 5.B.V 7.A.5	Included "average demand" when describing customers in the 40% large bucket to align with 02/12/2021 PSC Order "ORDER CLARIFYING COMMUNITY DISTRIBUTED GENERATION MEMBERSHIP REQUIREMENTS"
10/28/2022	Host Information Form	Updates to Host Info Form to include information required for Automation
10/28/2022	Net Crediting Host Enrollment Process: 5 / Appendices	Appendix H, I, & Business Classification form only avail via request via NYSEG_CDG@nyseg.com or RGE_CDG@rge.com (also noted within appliable appendices)

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CDG VDER Procedural Requirements

Appendices

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CDG VDER Procedural Requirements

Appendix A – CDG Host Information Form

CDG Value Stack Host Information Form

Please email all inquiries and documents pertaining to CDG to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com.

Company: ☐ NYSEG ☐ RG&E

SIR Project ID: [   ]

CDG Host Name: [   ]

Service Address: [   ]

City: [   ] **Zip:** [   ]

Email address for Data Exchange: [   ]

Project Name as it is to appear on CDG Satellites' bills*: [   ]

Project Contact Phone Number to appear on Satellites' bills*: [   ]

Project Mailing Address to appear on Satellites' bills*: [   ]

Project Website to appear on Satellites' bills*: [   ]

Note: Project name, Phone Number, Mailing Address, and Website will be available on invoices after automation

Non-Residential Generation Type (check one):

☐ Solar electric generating equipment with a rated capacity less than or equal to 5,000 kW

☐ Wind electric generating equipment with a rated capacity less than or equal to 5,000 kW

☐ Micro-hydroelectric electric generating equipment with a rated capacity less than or equal to 5,000 kW

☐ Fuel cell electric generating equipment with a rated capacity less than or equal to 5,000 kW

☐ Farm waste electric generating equipment with a rated capacity less than or equal to 5,000 kW

Project Size (kW AC): [   ]

Capacity Alternative Selection: ☐ Alternative 1   ☐ Alternative 2   ☐ Alternative 3

Storage Information (If Applicable)
☐ Storage Exclusively Charged from Eligible Generator
☐ Storage Controls Configuration
☐ Storage Import Netting Configuration
☐ Storage Default Configuration

Company Use Only:

Host ID: [   ]

Account Number: [   ]

Environment based on 25% payment date: [   ]

MTC or CC Tranche: [   ]

Non-Mass Market Community Credit Adder applicable: [   ]

CDG-0001

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CDG VDER Procedural Requirements

Appendix B – CDG Host Certification

CDG Value Stack Host Certification

NYSEG   RG&E

Company: ☐ **NYSEG**   ☐ **RG&E**

SIR Project File Number: [   ]

Account Name: [   ]

Check One: ☐ **Initial CDG Certification**   ☐ **Annual CDG Host Certification**

☐ I certify that this CDG application meets all terms and conditions of NYSEG P.S.C. No. 119, P.S.C. No. 120, and P.S.C. No. 121 or RG&E P.S.C. No. 18 and P.S.C. No. 19 scheduled for Electric Service Rate Information and requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082, Case 15-M-0180, Case 15-E-0751, and Case 19-M-0460, as they may be amended or superseded from time to time.

☐ I certify that the CDG Host is a non-residential customer who owns or operates electric generating equipment as described in NYSEG Tariff P.S.C. No. 120 40.B.1 and RG&E Tariff P.S.C. No. 19 26.B.1 and whose net energy produced by its generating equipment is applied to accounts of other electric customers ("CDG Satellites") with which it has a contractual arrangement related to the disposition of credits.

☐ I certify that the CDG Host has a contract in writing with each of their satellite customers and ensures all CDG Satellites meet participation requirements.

☐ I certify that the Company shall not be responsible for any contractual arrangements or other agreements between the CDG Host and CDG Satellites, including contractual terms, pricing, dispute resolution and contract term.

☐ I certify that the CDG Host is certifying in writing to the Company, both prior to commencing service under CDG and annually thereafter, that it has met the all requirements established and is in compliance with all applicable laws and meets the terms of the Confidentiality Agreement and Data Security Rider or Data Security Agreement if CDG Host has electronic connections to the Company other than email.

☐ I certify that the CDG Satellite Accounts with demands of 25kW or greater listed with this application receive, in aggregate, no more than 40 percent of the generator's output.

☐ I certify that each Satellite allocation distribution percentage must amount to at least 1,000 kWh annually but may not exceed the CDG Satellite Account's historic average annual kWh usage (or forecast usage if historic data is not available).

☐ I certify that all CDG Satellite Accounts, whether submitted with the initial application or subsequently, are located in the Company's service territory.

☐ I certify that the sponsor (CDG Host) of this project meets all criteria outlined and agreed upon between the Parties in the CDG VDER Procedural Requirement document as may be revised, modified, amended, clarified, supplemented or superseded from time to time.

☐ I certify that the sponsor of this project (CDG Host) will satisfy all obligations assumed with respect to project members (CDG Satellites).

☐ To the best of my knowledge, the information provided herein is accurate and no attempt has been made to misrepresent the facts.

☐ I will re-submit these certifications to the Company on an annual basis.

CDG-0002

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CDG VDER Procedural Requirements

CDG Value Stack Host Certification

NYSEG **RG&E**

Name of Applicant:

Signature: *Signature must be in ink or submitted with electronic signature*

Date:

Telephone:

Email:

Affiliation to person responsible for account: (Check One)

☐ **Owner**

☐ **Partner**

☐ **Agent (Attach Appendix D – Agent Authorization Form)**

☐ **Corporate Officer**

☐ **Other (specify)**

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CDG VDER Procedural Requirements

Appendix C – CDG Value Stack Data Exchange Protocols

The Parties shall follow the process outlined in Section 5 above to exchange data. Data shall be exchanged using the following email addresses:

NYSEG: NYSEG_CDG@nyseg.com

RG&E: RGE_CDG@rge.com

CDG Host Email as completed in Appendix A - CDG Value Stack Host Information Form

*Data exchange file nomenclature includes a Host ID assigned by the Company and provided in the "Company Use Only" section CDG Host Information Form

Historical Consumption Request

File Format:

The CDG Host shall request historical consumption using the following form: a. NYSEG_RG&E CNM Historical Usage Request Form.xlsx

Inbound File:

The CDG Host shall submit Historical Consumption Requests to the Company pursuant to Section 5 above.

File Naming Convention:

The CDG Host shall submit historical usage requests using the following nomenclature: Host ID _Cons Req_YYYYMMDD.xlsx.

Example Historical Consumption Request:

CDG VDER Procedural Requirements

NYSEG RG&E	New York State Electric & Gas Corporation Rochester Gas and Electric Corporation
Community Distributed Generation (CDG)	
Historical Usage Request Form	**July 28, 2020**

THIS SECTION TO BE COMPLETED BY HOST:	

SECTION I - Host Information	

Company:		**Mailing Address:**	
CDG Host Account:		Name:	
Account Name:		Company:	
Service Address:		Address:	
Contact Person:		City, State, Zip:	
E-mail address:		Phone:	

SECTION II - Completed Requests

Submit completed requests to:	File Naming Convention:
NYSEG: NYSEG_CDG@nyseg.com	Host ID_Cons Req_YYYYMMDD.xlsx
RG&E: RGE_CDG@rge.com	

SECTION III - Historical Usage Request Information

ID	Account Number (11 digits - no dashes)	Account Service Address	Account Service City	Account Service Zip
Host				
1				

Outbound File:

The Company shall complete the Historical Request Outbound section of the Historical Usage Request. Completed requests shall be provided to the CDG Host pursuant to Section 5.

File Naming Convention:

The Company shall provide historical consumption information using the following nomenclature:

Host ID _Cons Info YYYYMMDD.xlsx

Validation:

As described in Section 6 paragraph A, the Company shall provide error messages for invalid account numbers.

Validation errors may include:

"Account not active electric"

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CDG VDER Procedural Requirements

"Account not found"

"Account not eligible"

New York State Electric & Gas Corporation
Rochester Gas and Electric Corporation

Community Distributed Generation (CDG)

Historical Usage Request Form   **July 28, 2020**

THIS SECTION TO BE COMPLETED BY UTILITY												

Error Reason	Account Number (11 digits-no dashes)	ISO Load Zone	Meter Read Type A - Actual E - Estimate	Meter Read Start	Meter Read End	kWh on	kWh mid	kWh off	KW on	KW mid	KW Off
Account not active	xxxxxxxxxxx	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	xxxxxxxxxxx	A	A	1/1/2017	1/31/2017	358					

Initial, Subsequent and Banked Allocation Requests

File Format:

The CDG Host shall request initial and subsequent allocations using the following form:

NYSEG_RG&E Value Stack Allocation Request Form.xlsx

Inbound File:

The CDG Host shall submit Allocation Requests to the Company pursuant to Section 5 above.

File Naming Conventions:

The CDG Host shall submit allocation requests using the applicable nomenclature:
   a. Initial Request: Host ID_In Req_YYYYMMDD.xlsx
   b. Subsequent Request: Host ID_Sub Req_YYYYMMSS.xlsx
   c. Banked Request: Host ID_Bank Req_YYYYMMDD.xlsx

CDG VDER Procedural Requirements

Example Initial Allocation Request:

	Community Distributed Generation (CDG) Value Stack Allocation Request Form 7/29/2020		
NYSEG			RG&E

Host Information- Please fill in				
Utility Company				
CDG Host Account #		**Mailing Address**	**Contact Name**	
CDG Account Name			**E-mail Address (coversheets will be sent here)**	
			Phone #	
Service Address				
City, State Zip Code		**Apply Rejected Satellite Allocations to Host**		

Which Allocation request is this for:		
Check One		**Initial Allocation Request:** must be submitted at least 60 days prior to the CDG Host Account commencing service under the CDG Program. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.
		Subsequent Allocation Request: must be submitted no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.
		Banked Allocation: If less than 100% allocated the remaining percentage will be the Host's Banked Monetary Credits. The Host can allocate any percentage of the banked credits to any subscriber to be applied to the next bill period. Banked credits will remain on the Host's account until they are used up or the Host has reached their 2 year limitation.

Satellite allocation Information						
To be filled in by Host				**To be filled in by Utility**		
ID	**Account Number**	**Account Name**	**Allocation %** 0.000%	**Service Class**	**With an ESCO**	**Satellite Validation**
Host Allocation	0	0				
1						
2						
3						

Net Crediting Initial, Subsequent and Banked Allocation Requests

File Format:

The CDG Host shall request initial and subsequent allocations using the following form: a. NYSEG_RG&E Net Crediting Value Stack Allocation Request Form.xlsx

Inbound File:

The CDG Host shall submit Allocation Requests to the Company pursuant to Section 5 above.

File Naming Conventions:

The CDG Host shall submit allocation requests using the applicable nomenclature:
   a. Initial Request: Host ID_In Req_YYYYMMDD.xlsx

CDG VDER Procedural Requirements

    b.   Subsequent Request: Host ID_Sub Req_YYYYMMSS.xlsx
    c.   Banked Request: Host ID_Bank Req_YYYYMMDD.xlsx

Example Initial Net Crediting Allocation Request:

NYSEG	**Community Distributed Generation (CDG)** **Net Crediting Value Stack Allocation Request Form** 7/29/2020	RG&E

Host Information- Please fill in

Utility Company		
CDG Host Account #	Mailing Address	Contact Name
CDG Account Name		E-mail Address (coversheets will be sent here)
Service Address		Phone #
City, State Zip Code	Apply Rejected Satellite Allocations to Host	

Net Crediting

Savings Rate:	5%	Excluded Anchor Customer:

Which Allocation request is this for:

Check One	**Initial Allocation Request:** must be submitted at least 60 days prior to the CDG Host Account commencing service under the CDG Program. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.
	Subsequent Allocation Request: must be submitted no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply. For Satellite allocations less than 100% the remaining percentage will be the Host's Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.
	Banked Allocation: If less than 100% allocated the remaining percentage will be the Host's Banked Monetary Credits. The Host can allocate any percentage of the banked credits to any subscriber to be applied to the next bill period. Banked credits will remain on the Host's account until they are used up or the Host has reached their 2 year limitation.

Satellite allocation Information

	To be filled in by Host				To be filled in by Utility		
ID	Account Number	Account Name	Allocation % 0.000%	CDG Savings Rate	Service Class	With an ESCO	Satellite Validation
Host Allocation	0		0	100%			
Anchor Customer	NONE			100%			
1				5%			
2				5%			

Outbound File:

The Company shall complete the Utility sections of the allocation request form. Completed requests shall be provided to the CDG Host pursuant to Section 5.

File Naming Convention:

The Company shall provide completed allocation requests using the following nomenclature:

Outbound Accepted
    a.   Initial Request: Host ID _In Req_Accept_YYYYMMDD.xlsx
    b.   Subsequent Request: Host ID _999 _Sub Req_Accept_YYYYMMDD.xlsx
    c.   Banked Request: Host ID _999 _Bank Req_Accept_YYYYMMDD.xlsx

Outbound Rejected

Level of confidentiality: **Public**

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    a. Initial Request: Host ID _999 _In Req_Reject_YYYYMMDD.xlsx

    b. Subsequent Request: Host ID _999 _Sub Req_Reject_YYYYMMDD.xlsx

    c. Banked Request: Host ID _999 _Bank Req_Reject_YYYYMMDD.xlsx

Validation:

As described in Section 5 paragraphs A, B and C, the Company shall review the submitted application and either accept or deny the request. The Company shall provide error messages for the accounts that are found to be invalid.

    a. Review Process:

> If the CDG Host information fails validation the request will be rejected, and validation will not be performed on the Satellite accounts.
>
> Rejected files will include rejection reason codes, for example:

    a. Rejected – Host Validation
- **i. "Account not active"**
- **ii. "Account not found"**
- **iii. "Account not eligible"**
- **iv. "Allocation not equal to 100%"**

    b. Rejected – Satellite Validation
- **i. "Invalid – Account Moved Out"**
- **ii. "Invalid – Account with Another Host"**
- **iii. "Invalid – Account has Net Metered Service"**
- **iv. "Invalid – Invalid Account Number"**

Example Satellite Validation:

CDG VDER Procedural Requirements

	Community Distributed Generation (CDG) Value Stack Allocation Request Form 7/28/2020	
NYSEG		**RG&E**

Host Information- Please fill in					
Utility Company	NYSEG				
CDG Host Account #	xxxxxxxxxx	**Mailing Address**		**Contact Name**	
				E-mail Address (coversheets will be sent here)	
CDG Account Name	CDG Host 1				
				Phone #	
Service Address					
		Apply Rejected Satellite Allocations to Host			
City, State Zip Code					

Which Allocation request is this for:		
Check One		**Initial Allocation Request:** must be submitted at least 60 days prior to the CDG Host Account commencing service under the CDG Program. For Satellite allocations less than 100% the remaining percentage will be the Sponsors Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.
		Subsequent Allocation Request: must be submitted no less than 45 days before the CDG Host Account's cycle billing date to which the modifications apply. For Satellite allocations less than 100% the remaining percentage will be the Sponsors Banked Monetary Credits. The first entry on the Satellite allocation request will be the unallocated percentage.
		Banked Allocation: If less than 100% allocated the remaining percentage will be the Sponsors Banked Monetary Credits. The Sponsor can allocate any percentage of the banked credits to any subscriber to be applied to the next bill period. Banked credits will remain on the Sponsors account until they are used up or the Sponsor has reached their 2 year limitation.

Satellite allocation Information							
To be filled in by Host					**To be filled in by Utility**		
ID	**Account Number**	**Account Name**	**Allocation %** **100.000%**		**Service Class**	**With an ESCO**	**Satellite Validation**
Unallocated Credits	xxxxxxxxxx	CDG Host 1	20.000%		3	N	
1	xxxxxxxxxx	CDG Satellite 1	30.000%		1	Y	Invalid - Account Moved Out
2	xxxxxxxxxx	CDG Satellite 2	50.000%		8	N	Valid

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CDG VDER Procedural Requirements

Appendix D – Agent Authorization

Agent Authorization

Company: ☐ NYSEG   ☐ RG&E

SIR Project File Number: [____]

(To be completed by the host for any agent expected to receive or provide account information.)

I [_____], authorize my agent
    Print Host Name

[_____] to act on my behalf on all matters pertaining
Print Agent Name & Agent Company Name

to the management of the [_____] Community Distributed Generation project located
                        Size in KW

at [_____].
        Address of Host Account, City, NY, Zip code

If you have any questions, I can be reached at [_____].
                                               Phone #

Sincerely,

[_____]   Date [_____]
Signature must be in ink or submitted with electronic signature

[_____]   Title [_____]
        Print Name

CDG-0003

Level of confidentiality: **Public**

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CDG VDER Procedural Requirements

Appendix E – Net Crediting Agreement

CDG VDER Procedural Requirements

Appendix F – Net Crediting Consent Form

NYSEG RG&E **CDG Net Crediting Consent Form**

Check One: ☐ **Enroll**   ☐ **Unenroll**

Company: ☐ **NYSEG**   ☐ **RG&E**

Project ID: [   ]

CDG Host Name: [   ]

CDG Host Account #: [   ]

Savings Rate: [   ]%   **Excluded Anchor Customer Account #, if any:** [   ]

Initial bill message, if any⁺:

[   ]

⁺Note: Bill Message will be available after automation

Net Crediting Checklist
The CDG Host shall review and complete all documents listed below. Please submit documents via encrypted email to NYSEG_CDG@NYSEG.com or RGE_CDG@RGE.com. The Company will notify the CDG Host via email upon receipt of all completed enrollment documents.

☐ Appendix E: CDG Net Crediting Service Agreement

☐ Appendix F: CDG Net Crediting Consent Form

☐ Appendix G: W9 Form

☐ Appendix H: Vendor Creation Modification Form

☐ Appendix I: ACH Authorization Form

☐ Supporting bank document (Voided check, bank signed letterhead, or vendor signed letterhead)

☐ Business Classification Form

Signature: [   ]   *Signature must be in ink or submitted with electronic signature*

Print Name & Title: [   ]

Date: [   ]

CDG-0004

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CDG VDER Procedural Requirements

Appendix G – W9 Form

Form W-9
(Rev. November 2017)
Department of the Treasury
Internal Revenue Service

**Request for Taxpayer
Identification Number and Certification**

► Go to *www.irs.gov/FormW9* for instructions and the latest information.

**Give Form to the
requester. Do not
send to the IRS.**

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC
☐ C Corporation
☐ S Corporation
☐ Partnership
☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ 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.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Print or type.
See Specific Instructions on page 3.

Part I — Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number
☐☐☐ – ☐☐ – ☐☐☐☐

or

Employer identification number
☐☐ – ☐☐☐☐☐☐☐

Part II — Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here | Signature of U.S. person ► | Date ►

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

• Form 1099-INT (interest earned or paid)

• Form 1099-DIV (dividends, including those from stocks or mutual funds)
• Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
• Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
• Form 1099-S (proceeds from real estate transactions)
• Form 1099-K (merchant card and third party network transactions)
• Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
• Form 1099-C (canceled debt)
• Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

Cat. No. 10231X

Form **W-9** (Rev. 11-2017)

Level of confidentiality: **Public**

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CDG VDER Procedural Requirements

Appendix H – Vendor Creation Modification Form - Host must request form via email to
NYSEG_CDG@nyseg.com or RGE_CDG@rge.com

➤ **Contact Person:**

Name:	
E-mail(1):	Phone:

➤ **Payment Remittance Address (ALL fields are required):**

Name:		Tax ID:	
DBA:		Country:	
Address:			
City:	State:	Zip +4:	-
E-mail:		Phone:	

➤ **Purchase Order Address (only if different from the Remittance Address):**

Address:		Country:	
City:	State:	Zip +4:	-
E-mail:		Phone:	

➤ **Required documentation for vendor registration or address modification:**
- Copy of W9 (US Vendor) / W8 (Foreign Vendor) form.

Description of goods or services to be provided:

If non-US vendor, please indicate if services will be on US soil: Yes ☐   No ☐

Date and signature:

Signature must be in ink or submitted with electronic signature

Printed Name:

Level of confidentiality: **Public**

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CDG VDER Procedural Requirements

Appendix I – ACH Authorization Form - Host must request form via email to NYSEG_CDG@nyseg.com or RGE_CDG@rge.com

Vendor/Supplier Number: _____   Last 4 Digits of Tax ID Number: _____

Vendor Name: _____

Address: _____

City: _____   State: _____   Zip: _____

Financial Institution:

    Bank Name: _____

    Bank City/State: _____

Type Of Account: Checking   Savings

ABA Routing Number: _____   Account Number: _____

Email Address for ACH payment advice: _____

Please note all ACH payment advices will be sent via email. A paper remittance will not be mailed

Requirements of the Voided Check:

The voided check must meet the following requirements to be accepted by the Company.
- "Void" must be printed across the check
- The name on the voided check must match the Vendor Name on the ACH form.
- The bank routing and account number must match the ACH form.
- Blank check attachments or deposit slips will not be accepted in lieu of a voided check.

Requirements of the Bank Letter:

The bank letter must meet the following requirements to be considered complete. Incomplete bank letters will not be accepted by the Company.
- Must be on the bank's letterhead.
- Must include the name of the name of the payee (the name of the bank account holder) and must match the Vendor Name on the ACH form.
- Must include the payee's routing and bank account number and must match the ACH form.
- Must be signed and dated by the officer of the bank.

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CDG VDER Procedural Requirements

Requirements of the Vendor (CDG Host) Letter:

The Vendor letter must meet the following requirements to be considered complete. Incomplete bank letters will not be accepted by the Company.

- Must be on the Vendor's letterhead.
- Must include the name of the name of the payee (the name of the bank account holder) and must match the Vendor Name on the ACH form.
- Must include the Bank Name.
- Must include the payee's routing and bank account number and must match the ACH form.
- Must be signed and dated by the officer of the Vendor.

Level of confidentiality: **Public**

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