Con Edison

Value Stack CDG

Net Crediting Manual

Version 2, published August 2021
## VERSION HISTORY

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<th>No.</th>
<th>Description</th>
<th>Date</th>
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<td>v1</td>
<td>First version</td>
<td>8/31/2020</td>
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1. Introduction

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

On December 12, 2019, the Public Service Commission (PSC) issued its Order Regarding Consolidated Billing for Community Distributed Generation in Case 19-M-0463 (Net Crediting Order) which established the policies, requirements and conditions to implement Net Crediting. The terms of service for Community Distributed Generation (CDG) that resulted from the Net Crediting Order are in the Company’s Schedule for Electricity, P.S.C. No. 10 (Tariff) under Rider R, Section F.2.d and the Company’s Schedule for PASNY Delivery Service (PASNY Tariff) under the Value Stack Tariff for PASNY Customer-Generators (collectively, “CDG Net Crediting Tariffs”).

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

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

Value Stack CDG Hosts\(^1\) may enroll in the Net Crediting Program, described herein, under which the Company will apply the savings rate provided by the CDG Host to all of the CDG Satellites in the project (excluding any Anchor Satellite) resulting in a net credit being applied to the CDG Satellites Electric Bills. The Company will remit payment to the CDG Host, on behalf of the CDG Satellites, equal to the CDG Subscription Fees less the Utility Administrative Fees.

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

2. **Definitions**

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

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

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

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

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

**CDG Host Payment:** The payment from the Company to the CDG Host representing the sum of the CDG Subscription Fees from the CDG Project, less the sum of the Utility

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\(^1\) CDG Hosts credited pursuant to Rider R, Section H of the Tariff or pursuant to the Value Stack Tariff for PASNY Customer-Generators of the PASNY Tariff.
Administrative Fees retained by the Company.

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

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

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

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

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

**Electric Bill:** The bill rendered by the Company for a customer’s electric utility service. Electric utility service includes energy, customer, demand, or other electric charges. Energy supply costs billed by the Company are included in the Electric Bill amount. If a customer participates in Retail Access pursuant to the Tariff and is not billed by the Company for Retail Access supply charges, and for all PASNY Customers, the Electric Bill does not include electric supply costs. Generally, Electric Bills are rendered monthly pursuant to the Tariff and PASNY Tariff.
**Enrollment Period:** A 60-day period that begins once the Company receives the completed Enrollment documentation.

**Host Bank Allocated Credit:** The credit allocated by the CDG Host from the CDG Host’s Banked Monetary Credit pursuant to Rider R Section F.2.c of the Tariff or the Community Distribution Generation Section (c) of the Value Stack Tariff for PASNY Customer-Generators in the PASNY Tariff.

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

**Monthly Allocated Credit:** The Value Stack credit allocated by the CDG Host for its net hourly injected energy during the CDG Host’s billing period, pursuant to Rider R Section F.2.c of the Tariff or the Community Distribution Generation Section (c) of the Value Stack Tariff for PASNY Customer-Generators in the PASNY Tariff.

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

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

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

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

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

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

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

3. **Enrollment**

3.1. The CDG Host must comply with the CDG Procedures, except where modified under this Net Credit Manual.

3.2. The CDG Host shall submit the following required enrollment documentation to the Company:

   3.2.1. Enrollment Checklist;
   3.2.2. CDG Host Certification Form;
   3.2.3. CDG Net Credit Allocated Request Form (“Allocation Form”).
   3.2.4. Net Credit Agreement;
   3.2.5. Payment documentation, including Automated Clearinghouse (“ACH”) Payment Authorization Form, a voided check or Bank Letter, and most recent IRS Form W-9; and

3.3. The enrollment documentation is attached hereto as Appendices A, B, C, D and E respectively.

3.4. The Company shall provide notice on its website and CDG Interconnection Portal when applications for enrollment in the Net Crediting Program may be submitted.

3.5. Where specified, the CDG Host shall upload enrollment documentation to the CDG Interconnection Portal. The CDG Host shall also furnish the Enrollment Checklist by email to netcrediting@coned.com. Upon receipt of the initial enrollment package, the Company will subsequently request, via encrypted email, Payment documentation. The 60-day Enrollment Period will begin once all enrollment documentation, as specified in 3.2 above, are received by the Company.

3.6. Projects that have previously applied for interconnection, whether in-service or not, that also apply to the Net Credit Program shall submit to the Company all the enrollment documentation specified in 3.2 above, including an updated CDG Host Certification Form and Allocation Form, and with notification to netcrediting@coned.com.

3.7. During the Enrollment Period the Company will review the submitted enrollment documentation.
3.8. After approval of the submitted documentation and when the Enrollment Period ends, Net Crediting will be effective on the CDG Host’s subsequent billing date in accordance with the Value Stack Tariff.

3.9. The Company shall counter-sign and execute the Net Crediting Agreement to be effective in accordance with provision 3.8 above.

3.10. By submitting a CDG Allocation Request and in its CDG Host Certification Form, the CDG Host certifies that the CDG Host has entered into written contracts with each of its CDG Satellites acknowledging that each CDG Satellite will receive net credits pursuant to the Net Crediting Program.

3.11. If a CDG Host has previously participated in the Company’s Net Crediting Program, and was unenrolled pursuant to section 10 below, the CDG Host may re-enroll with an effective date no earlier than 12 months from the prior unenrollment. To re-enroll, the CDG Host must complete all required enrollment documentation described herein including executing a new Net Crediting Agreement.

4. **Initial CDG Allocation Request**

   4.1. An Initial CDG Allocation Request is required as part of the CDG Host’s enrollment in the Net Crediting Program, as described in provision 3.2 above.

   4.2. The CDG Host shall comply with the CDG Procedures, except as modified below, and the Tariff or PASNY Tariff, as applicable, when completing this form, along with the additional requirements below.

   4.3. The CDG Host shall designate in its Initial CDG Allocation Request the CDG Host’s utility account number, the CDG Satellite utility account numbers that will receive credits under the Net Crediting Program, the allocation percentage to each CDG Satellite utility account number, the initial Savings Rate, and the Anchor Satellite, if any (subject to Sections 6 and 7 below). The Company will notify the CDG Host when submission of a complete and accurate initial allocation request has been accepted by the Company.

   4.4. The Company shall use the initial CDG Allocation Request for disposition of a CDG Host’s Monthly Allocation Credit until such time that a Subsequent CDG Allocation Request is effective.

5. **Subsequent CDG Allocation Request**

   5.1. The CDG Host may modify: (1) the list of CDG Satellite to which the CDG Host allocates; and/or (2) the percentage of credits allocated to one or more of its CDG Satellites; and/or (3) the Anchor Satellite. Updates may be submitted once per CDG
Host billing month by giving notice to the Company no less than 45 days before the CDG Host Account’s cycle billing date to which the modifications apply.

5.2. To modify a CDG Allocation Request, the CDG Host shall complete and submit an updated Allocation Form included in Appendix C to the Company via the CDG Host Billing Portal. The CDG Host shall comply with the CDG Procedures when completing this form, along with the additional requirements below.

5.3. The CDG Host may modify its CDG Savings Rate once every six months by giving notice to the Company no less than 45 days before the CDG Host Account’s cycle billing date to which the modifications apply, pursuant to section 6 below.

5.4. The CDG Host’s subsequent allocation request will be effective with the first CDG Host billing period that commences at least 30 days after the Company’s receipt of an accepted Allocation Form.

6. CDG Savings Rate

6.1. In its initial Allocation Form, submitted pursuant to provision 3.2 above, the CDG Host shall indicate the amount of the CDG Savings Rate applicable to the CDG project.

6.2. The CDG Savings Rate shall not be less than five percent, not to exceed two decimal points (e.g., 5%, 6%, 7% and so forth).

6.3. The sum of the CDG Savings Rate and Utility Administrative Fee Rate may not exceed 100 percent.

6.4. The Company shall use the same CDG Savings Rate for all CDG Satellites subscribed to the CDG Host’s project, except for the Anchor Satellite, if applicable.

6.5. The CDG Host may update the CDG Savings Rate no earlier than six months from the initial effective date of the CDG Host’s enrollment in the Net Crediting Program and no earlier than six months from the effective date of any subsequent change. The CDG Host shall update the CDG Savings Rate by submitting a signed copy of Appendix C to the Company’s CDG Host Billing Portal.

6.6. The Company will apply the project’s CDG Savings Rate to all CDG Satellites’ Applied Credits (excluding the Anchor Satellite, if applicable).

6.7. If a CDG Host submits an updated CDG Savings Rate as part of its CDG Allocation Request for Host Bank Allocated Credit, the Company will apply this updated CDG Savings Rate for all Applied Credit, including Monthly Allocated Credit, for all
CDG Satellites (excluding the Anchor Satellite, if applicable) for at least 6 months from the CDG Savings Rate effective date and until the CDG Host requests a subsequently updated CDG Savings Rate.

7. Anchor Satellite

7.1. In each CDG Host billing month, the CDG Host may optionally designate up to one CDG Satellite utility billing account as an Anchor Satellite.

7.2. A CDG Satellite that is designated as an Anchor Satellite in a billing month will not participate in the Net Crediting Program and will instead have its credits applied pursuant to the non-Net Crediting CDG Program.

7.3. The CDG Host may modify the Anchor Satellite once per CDG Host billing month by submitting an updated Allocation Form to the Company no less than 45 days before the CDG Host Account’s cycle billing date to which the modifications apply.

7.4. At any given point in time, a CDG Host may have up to only one Anchor Satellite.

8. Calculation of Applied Credit and CDG Subscription Fee

8.1. A CDG Satellite’s Applied Credit will be calculated each billing period, pursuant to the CDG Net Crediting Tariffs, and equals the portion of the Total Available Credit that offsets the CDG Satellite’s Electric Bill in the billing period. A CDG Satellite’s applied credit cannot exceed the amount of a CDG Satellite’s Electric Bill during an individual billing period. The Company shall use the Applied Credit as the basis to determine the CDG Subscription Fee.

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

8.3. The CDG Savings Rate applied to a CDG Satellite’s bill will be the rate in effect for the CDG Satellite’s bill period.

8.4. When a CDG Satellite is billed, the Company shall apply a net credit to the CDG Satellite’s Electric Bill equal to the Applied Credit less the CDG Subscription Fee.

8.4.1. For example:

8.4.1.1. A CDG Satellite has $120 of Total Available Credit, a monthly Electric Bill of $100, and the CDG Satellite is enrolled with a
CDG Host whose CDG Savings Rate in effect of the time is 5 percent.

8.4.1.2. The Applied Credit equals $100, i.e., the portion of the Total Available Credit which can offset the CDG Satellite’s Electric Bill. The CDG Subscription Fee shall equal $95 \[ \$100 \times (1 - 0.05) \], i.e., the Applied Credit multiplied by 1 minus the CDG Savings Rate.

8.5. The Company will provide each CDG Satellite with the net credit on CDG Satellite’s Electric Bill.

8.5.1. Continuing the example above, the net credit applied to the CDG Satellite account is $5 (i.e., 5% CDG Savings rate multiplied by the $100 Applied Credit).

8.6. If the CDG Host identifies an Anchor Satellite, the Company will not apply any CDG Subscription Fee to the Anchor Satellite’s portion of the Applied Credit. An Anchor Satellite will thus receive 100% of the Applied Credit.

8.7. The CDG Host shall not charge Mass Market CDG Satellites any additional fee or otherwise require additional payment outside of the Net Crediting Program.

9. Payment to CDG Host

9.1. The basis of the Company’s monthly payment to a CDG Host shall equal the CDG Subscription Fees less the Utility Administration Fees.

9.1.1. The CDG Subscription Fee are calculated for each CDG Satellite, excluding an Anchor Satellite (if applicable) pursuant to section 8 above.

9.1.2. The Utility Administrative Fees shall be calculated from the Applied Credits to CDG Satellites, excluding the Applied Credit to an Anchor Satellite.

9.1.2.1. For each Applied Credit to a CDG Host’s CDG Satellites in a billing month (excluding the Applied Credit to an Anchor Satellite), the Utility Administrative Fee shall equal the Applied Credit multiplied by the Utility Administrative Fee Rate.

9.1.2.2. The Company shall use the Utility Administrative Fee Rate set in the Company’s Statement of Value of Distributed Resources Value Stack Credits (VDER-CRED Statement), as approved by
the Commission, and in effect when the CDG Subscription Fee is calculated by the Company.

9.1.2.3. The Utility Administrative Fee Rate was initially set at 1% and may be updated by the Commission from time to time.

9.1.2.4. Continuing the example in 8.4.1 above, if the Utility Administrative Fee is 1 percent at the time the Company calculates the Applied Credit, then the Utility Administrative Fee shall equal $1 ($100 Applied Credit multiplied by the Utility Administrative Fee Rate of 1 percent). Therefore, the payment to the CDG Host by the Company under the Net Crediting Program is $89 ($90 CDG Subscription Fee less $1 Utility Administrative Fee).

9.2. The payment by the Company to the CDG Host in accordance with the ACH Payment Authorization Form provided by the CDG Host in its initial application, or as may be amended.

9.3. The CDG Host may amend its ACH Payment Authorization by completing a new ACH Payment Authorization Form (Appendix E).

9.4. The payment by the Company to the CDG Host shall be remitted within 30 days of the conclusion of the billing month.

9.5. The payment shall reflect the CDG Subscription Fees, less the Utility Administration Fees, computed by the Company in a billing month.

9.6. The Company shall provide in each billing month, a statement to the CDG Host which itemizes, by CDG Satellite, the CDG Subscription Fees net of Utility Administrative Fees included in the CDG Host payment for the billing month.

10. **Unenrollment**

10.1. To unenroll from the Net Crediting Program, a CDG Host must complete and submit an updated CDG Host Certification Form to netcrediting@coned.com.

10.2. The Company will unenroll the CDG Host, and all its CDG Satellites, in the billing month that begins at least 45 days after submission of the request.

10.3. A CDG Host that unenrolls in from the Net Crediting Program shall be credited pursuant to the Company’s Tariff or PASNY Tariff with the exclusion of Net Crediting Provisions.
10.4. A CDG Host may re-enroll in the Net Crediting Program pursuant to provision 3.11.

11. **Removing CDG Satellites**

11.1. To remove a CDG Satellite from its project, and thus from the Net Crediting Program as well, the CDG Host shall update its CDG Allocation Request for the disposition of Monthly Allocated Credit and shall not include the CDG Satellite that is removed from the project.

11.2. A former CDG Satellite that is removed from a CDG project (i.e., is no longer allocated credit) shall receive the full value of the Applied Credit, reflecting any remaining Value Stack credit from the preceding billing month that was carried forward to the current billing period, and without any CDG Subscription Fee being netted. The CDG Host formerly associated with the removed CDG Satellite will not receive a CDG Subscription Fee for such credits.

11.3. A former CDG Satellite with Total Available Credit from a prior CDG Host may not enroll with another CDG Host until the Total Available Credit is reduced to zero.

11.4. If a CDG Satellite account is closed or otherwise finalized, the Company will indicate as such in the monthly CDG Host Statement provided to the CDG Host.

12. **CDG Host Change of Ownership**

12.1. The CDG Host shall notify the Company of any change in ownership of the CDG project or ownership structure at least 60 days prior to the effective date of the change.

12.2. For the purposes of the Net Crediting Program, the new owner or entity shall constitute a new CDG Host. The new owner or entity shall execute and submit all required payment documents listed in the enrollment documentation pursuant to section 3 above, at least 60 days prior to their effective date.

13. **Customer Care**

13.1. The Company shall be responsible for resolving utility billing-related customer inquiries and complaints. In the case of customer inquiries to the Company related to the CDG Host, the Company will promptly provide customers the CDG Host’s contact information.
APPENDIX A

NET CREDITING ENROLLMENT FORM/APPLICATION CHECKLIST

Project ID (assigned by Con Edison during the project’s interconnection):________________________

Project Name:________________________________________________________________________

Address:_____________________________________________________________________________

CDG Host’s Con Edison Account Number (if available):_____________________________________

Contact Name, Phone Number and Email Address for questions:____________________________

____________________________________________________________________________________

The CDG Host shall submit the following documents along with this checklist to the Company in the manner indicated. Once the Company receives all completed forms, the 60 day Enrollment Period will begin. The Company will notify the CDG Host via email upon receipt of all completed enrollment documents.

1. Checklist – complete and upload to PowerClerk CDG Application as Appendix A
2. Net Crediting Agreement – complete, sign, and submit to netcrediting@coned.com
3. CDG Host Certification Form – completed and upload to PowerClerk CDG Application as Appendix B
4. CDG Value Stack Subscriber Allocation Request – complete, sign, and upload to PowerClerk as CDG Application Appendix C
5. Payment information – complete and submit to netcrediting@coned.com
   a. ACH Payment Request form
   b. Most recent IRS Form W-9
   c. Voided check or Bank Letter

Project Name as it is to be shared with CDG Subscribers: _________________________________

Project Contact Phone Number to be shared with CDG Subscribers:________________________
APPENDIX B

NET CREDITING COMMUNITY DISTRIBUTED GENERATION
HOST CERTIFICATION FORM

Please submit this form in Power Clerk during the interconnection application. Subsequent allocation forms can be submitted via PowerClerk.

Check One:

<table>
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<tr>
<td>Initial CDG Host Certification</td>
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<td>Annual CDG Host Certification</td>
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CDG Satellite Account Information

The CDG Host shall designate at least ten CDG Satellite Accounts with this initial application, all located in the Company’s service territory. The ten satellite minimum is waived if all Satellite Accounts are located on the same property as the CDG Host. No satellite shall have on-site net metered or value stack generation or receive credits from another net-metered or value stack Host account. This list will be provided at least 60 days before the first CDG bill. The CDG Host shall submit this information via the attached form provided in Appendix C.

CDG Host Certification

☐ I certify that this CDG application meets all terms and conditions of Rider R and requirements of the PSC that are adopted pursuant to its Orders issued in Case 15-E-0082, Case 15-M-0180, Case 19-M-0463, and Case 15-E-0751 as they may be amended or superseded from time to time.

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

☐ I certify that each CDG Satellite Account is receiving at least 1,000 kWh annual but is not receiving credits in excess of the CDG Satellite Account’s historic average annual kWh usage (or forecast usage if historic data is not available).

☐ I certify that all CDG Satellite Accounts, whether submitted with this application or subsequently, are located within the Company’s service territory.

☐ I certify that the sponsor of this project meets creditworthiness standards as described in the October 16, 2015 Order in Case 15-E-0082, as they may be amended or superseded from time to time.

☐ I certify that the sponsor of this project will satisfy all obligations assumed with respect to Satellite Account owners (project members).

☐ I certify that the sponsor of this project will not charge any additional fee or otherwise require additional payment outside of the net crediting arrangement to Mass Market CDG Satellite Accounts.

☐ I certify that the sponsor of this project has disclosed the CDG Savings Rate to all CDG Satellites, excluding an Anchor Satellite if applicable.

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

☐ I will re-submit these certifications to Con Edison on an annual basis.

<Continued next page>
Name of Applicant (Please print) ________________________________________

Host Utility Account Number ________________________________________

Signature _______________________________________________________

Date _______________________

Telephone __________________________

Email __________________________________________

Affiliation to person responsible for account (Check one)
☐ Owner ☐ Partner ☐ Agent [Attach documentation of authorization by Principal] ☐ Corporate Officer
☐ Other (specify) _____
APPENDIX C

CDG NET CREDITING ALLOCATION REQUEST FORM

Please submit this form in Power Clerk during the interconnection process. Subsequent allocation forms can be submitted via PowerClerk or via email to cdgdevelopers@coned.com

Net Crediting Value
Stack CDG Allocation
APPENDIX D

Community Distributed Generation Net Crediting Agreement
for [CDG Project Name and Identifier]

This Agreement (“Agreement”) is made this _____ day of ____________________, 20___,
between Con Edison Company of New York, Inc. (the “Utility” or “Con Edison”), a New York
incorporation with a principal place of business at 4 Irving Place, New York, NY 10003 and
______________________________________________________, a community distributed
generation (“CDG”) sponsor (the “CDG Sponsor” or “Sponsor”), a [state] [type of legal entity]
with a principal place of business at
_____________________________________________________. The Utility and the CDG
Sponsor are also individually referred to herein as a “Party” or collectively as “Parties.”

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

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

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

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

Whereas, on June 18, 2019, the Commission issued its Notice Seeking Comments Regarding
Consolidating Billing for Community Distributed Generation in Case 19-M-0436, seeking input
on modifying the existing CDG construct so that the CDG Sponsor would not have to separately
bill the Satellites for the monthly subscription fees for a CDG project;
Whereas, the Commission’s December 12, 2019 Order Regarding Consolidated Billing for Community Distributed Generation (“CDG Net Crediting Order”) in Case 19-M-0463 adopted a net crediting model whereby the Utility is to calculate the participating CDG Satellites’ credits, remit a percentage of the value of such credits to the CDG Sponsor, less the Utility Administrative Fee retained by the Utility, and provide the remaining credit value on the CDG Satellites’ electric utility bills (“Net Crediting Program”), thus eliminating the need for the CDG Sponsor to separately bill the participating CDG Satellites for monthly subscription fees;

Whereas, the CDG Sponsor is a DER provider registered with the Commission with a CDG project located at ________________________________, and identified by the Utility as ________________________________ (the “CDG Project”);

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

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

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

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

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

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

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

1.1. CDG Sponsor is the entity that organizes, owns, and/or operates a CDG project and identified as the “CDG Host” the Utility’s Electricity Tariffs. A CDG Sponsor may be involved in one or more CDG projects and be otherwise engaged in soliciting
customers, members, or subscribers for a CDG project or CDG projects, through its own employees or agents, on its own behalf. A CDG Sponsor must be registered with the Commission consistent with the Uniform Business Practices for Distributed Energy Resource Suppliers (UBP-DERS).

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

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

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

1.5. **CDG Subscription Fee** is the value of the CDG Project’s monthly Value Stack Credits calculated pursuant to Rider R of the P.S.C. No. 10 Electricity Tariff (or the Value Stack Tariff for PASNY Customer-Generators of the P.S.C. No. 12 Electricity Tariff, if applicable) by the Utility and provided to the CDG Sponsor.

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

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

1.8. **Electricity Tariff** refers to the Utility’s effective P.S.C. No. 10, Schedule for Electricity Service, or the Utility’s effective P.S.C. No. 12, Schedule for PASNY Delivery Service, as they be applicable to the CDG Sponsor, approved by the Commission and which may be amended or succeeded from time to time.

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

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

1.11. **Net Crediting Manual** is the Utility’s detailed guide for implementing the Net Crediting Program. The Net Crediting Manual is maintained by the Utility.

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

1.13. **Net Member Credits** are the resulting credits on the CDG Satellite’s electric utility account calculated pursuant to Rider R of the P.S.C. No. 10 Electricity Tariff (or the Value Stack Tariff for PASNY Customer-Generators of the P.S.C. No. 12 Electricity Tariff, if applicable), based on the CDG Project’s monthly Value Stack Credits, the applicable CDG Savings Rate, the CDG Satellite’s Allocation Percentages, the CDG Satellite’s monthly retail charges, and the CDG Satellite’s banked credits, including any banked credits allocated from the CDG Sponsor.

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

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

1.16. **Value Stack Credits** are the credits generated from electricity generated from the CDG Project pursuant to Rider R of the P.S.C. No. 10 Electricity Tariff (or the Value Stack Tariff for PASNY Customer-Generators of the P.S.C. No. 12 Electricity Tariff, if applicable) of the Electricity Tariff.

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

3. **Term/Termination**
3.1. This Agreement shall remain in effect until terminated (i) in accordance with its terms or (ii) by an order of the Commission, whichever shall occur first.

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

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

4. Representations.

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

4.2. Each person executing this Agreement for the respective Parties represents and warrants that he or she has authority to bind that Party.

4.3. Each Party represents that (a) it has the full power and authority to execute, deliver, and perform its obligations under this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this Agreement constitutes that Party’s legal, valid and binding obligation, enforceable against such Party in accordance with its terms.

4.4. The Utility and the CDG Sponsor shall exercise all reasonable care, diligence and good faith in the performance of their duties pursuant to this Agreement and carry out their duties in accordance with applicable recognized professional standards.

4.5. The CDG Sponsor represents that it is registered with the Commission as provided for in the Uniform Business Practices for DER Suppliers (“UBP-DERS”) and will abide by all applicable requirements in the UBP-DERS as it may be amended from time to time by the Commission.

5. CDG Sponsor Rights and Responsibilities

5.1. The CDG Sponsor will enroll the CDG Project and CDG Satellites in the Net Crediting Program pursuant to the Net Crediting Manual. When enrolling a CDG project in the Net Crediting Program, CDG Sponsor shall designate one CDG Savings Rate which will be applicable to all CDG Satellites for the CDG Project, with the exception of the Excluded Anchor Customer.

5.2. The CDG Sponsor shall provide the Utility with all information required in the Net Crediting Manual. The CDG Sponsor shall respond promptly (within no more than two (2) business days) to the Utility’s requests for Net Crediting Program related data to the extent such data is required for the Utility to perform hereunder.
5.3. The CDG Sponsor shall handle customer inquiries and complaints from CDG Satellites related to the CDG Project and such calls will not be handled by the Utility. The Utility will remain responsible for resolving Utility billing-related customer inquiries and complaints.

5.4. The CDG Sponsor shall cooperate with and provide the Utility with necessary documentation relating to any transactions resulting hereunder.

5.5. The CDG Sponsor shall provide timely and accurate information to the Utility regarding participating CDG Satellites and any other information necessary for the Utility to perform hereunder.

5.6. The CDG Sponsor agrees that services rendered by the Utility shall not relieve the CDG Sponsor from any obligation to maintain records or otherwise comply with applicable laws. The CDG Sponsor agrees that it will maintain backup data and files for all information provided to the Utility as protection against loss of such information.

5.7. In the event that the CDG Sponsor receives a CDG Satellite subscription payment directly from the CDG Satellite, in error, the CDG Sponsor shall return such payment to the CDG Satellite.

5.8. The CDG Sponsor is responsible for notifying the Utility of any changes to CDG Satellite allocations in accordance with the rules and guidelines of the CDG Net Crediting Manual.

6. Utility Rights and Responsibilities

6.1. The Utility shall remit the CDG Sponsor Payment to the CDG Sponsor in accordance with the procedures established in the Net Crediting Manual. The CDG Sponsor Payment shall be remitted to CDG Sponsor via Automated Clearing House (ACH), check, or other payment form provided for in the Net Crediting Manual. Such remittance shall be performed at least monthly and shall be completed in a commercially reasonable time frame, and in any event, no later than seventy (70) days after the Utility has applied the CDG Subscription Fee to a CDG Satellite’s electric utility bill.

6.2. The Utility shall provide Net Member Credits on CDG Satellite electric utility bills, allocated pursuant to the CDG Sponsor’s directive, consistent with the Net Crediting Subscription Contract with each CDG Satellite.
6.3. In no event shall the aggregate value of applied net credits, CDG Subscription Fee and Utility Administrative Fee for a given billing cycle exceed the sum of value stack credits and available banked credits for that cycle.

6.4. In the event the Utility is required to cancel and rebill from the CDG Sponsor or CDG Satellites, the CDG Sponsor Payment will reflect the effect of those adjustments. If the CDG Project unenrolls from net crediting and the resultant CDG Subscription Fees differ from the amount originally paid to the CDG Sponsor, the Utility will invoice/refund the CDG Sponsor for the difference.

6.5. The Utility will provide information to the CDG Sponsor utilizing the format, methods, and timeframes defined in the Net Crediting Manual.

6.6. If the CDG Sponsor identifies an Excluded Anchor Customer in the manner set out in the Net Crediting Manual, the Utility will not apply the CDG Savings Rate to the calculation of the Excluded Anchor Customer’s Net Member Credit, and will provide the Excluded Anchor Customer with 100 percent of its allocation of the Value Stack Credits in accordance with the Net Crediting Manual procedures and Electricity Tariff.

6.7. The Utility shall be responsible for resolving Utility billing-related customer inquiries and complaints. In the case of customer inquiries to the Utility related to the CDG Sponsor, the Utility will promptly provide customers the CDG Sponsor’s contact information.

6.8. For CDG Satellites subscribed to budget billing plans, the Utility is responsible for ensuring their Net Member Credits are subtracted from the current amount due rather than the underlying balance.

6.9. The Utility is responsible for updating and implementing CDG Satellite allocation lists as directed by the CDG Sponsor, in accordance with relevant rules and guidelines of the CDG program.

6.10. The Utility shall provide Net Member Credits to the CDG Satellites within two (2) months after the CDG Sponsor’s billing cycle except in the case bi-monthly billed accounts in which case the appropriate time period would be (3) months.

7. **Utility Compensation.** To compensate the Utility for the provision of the Net Crediting Program, the Utility will retain the Utility Administrative Fee, deducted from the CDG
Sponsor Payment, as described in the Net Crediting Tariff. The Utility may not retain any Utility Administrative Fee in connection with the Excluded Anchor Customer.

8. **Taxes.** The Utility is not responsible for assessing or collecting any taxes on payments made to the CDG Sponsor. Nothing in this Agreement shall be construed as imposing upon the Utility the obligation of remitting to any federal, state, or local taxing authority those taxes that are the collection and remittance responsibility of the CDG Sponsor.

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

   9.2. In addition, each Party acknowledges that all information furnished and identified by the other Party as being confidential or proprietary information, trade secret, confidential commercial information, critical infrastructure, or other information that is confidential pursuant to state, federal or local law, regulation or rule, is and shall remain the sole and exclusive property of such other Party.

   9.3. Information and data provided to the Utility by the CDG Sponsor under this Agreement shall be used by the Utility for the purposes of billing, receiving, depositing, posting, processing and remittance of CDG Satellite utility bill credits or for determining the amounts due the CDG Sponsor. Confidential Information may be disclosed by the receiving Party to its employees, agents, consultants and Representatives on a need-to-know basis only.
9.4. The receiving Party is required to destroy Confidential Information within six (6) years from the date received or the date when the information is no longer required for the operation of the Net Crediting Program, whichever occurs last, and thereafter, to destroy such Confidential Information or, at the request of the disclosing Party, return such Confidential Information.

9.5. The confidentiality obligations of this Article do not apply to information which: (i) is already known to the Party free of any restriction at the time it is obtained from the other Party; (ii) is subsequently learned by one Party from an independent third party free of any restriction and without breach of this Agreement; (iii) is or becomes publicly available through no wrongful act of either Party; (iv) is independently developed by one Party without reference to any Confidential Information of the other; (v) is disclosed by one Party to a third party, with the express written permission of the other Party; (vi) is disclosed to the extent required by applicable laws and regulations or by any subpoena or similar legal process (where the disclosing Party must seek confidential treatment from the appropriate court of law or regulator of competent jurisdiction and must inform the non-disclosing Party as soon as practicable to allow the non-disclosing Party to intervene and seek protection of the Confidential Information); or (vii) is disclosed pursuant to the lawful requirement or formal request of a governmental agency or a party in any regulatory proceeding, provided that if one Party is requested or, in the written opinion of its counsel, legally compelled by a governmental agency or a party in any regulatory proceeding to disclose any Confidential Information of the other Party, such party, to the extent permitted by law, agrees to provide the other Party with prompt written notice of such request so that the other Party has the opportunity to pursue its legal and equitable remedies regarding such potential disclosure. The receiving Party further agrees that if the disclosing Party is not successful in precluding the requesting legal or governmental body from requiring disclosure of the Confidential information, the receiving Party will furnish only that portion of the Confidential Information which, in the written opinion of its counsel, it is legally required to disclose, and will exercise all reasonable efforts to obtain assurances that confidential treatment will be accorded to the Confidential Information.

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

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

10. Resolution of Disputes between Utility and CDG Sponsor

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

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

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

12. Indemnification

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

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

13. Force Majeure

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

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

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

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

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

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

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

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

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

15.7. **Assignment.**

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

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

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

15.8. **Subcontracting.** Each Party may subcontract all or any portion of the performance to be rendered hereunder without the express approval of the other as to the tasks to be subcontracted and the subcontractor, provided, however that each Party shall be fully responsible for the acts and omissions of its subcontractors and their agents as it is for its own acts and omissions.
15.9. **No Third-Party Beneficiaries.** There are no third-party beneficiaries to this Agreement. Nothing contained herein shall be deemed to confer any rights or grant any remedies or give any benefit to any third party.

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

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

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

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

15.14. **Other Remedies.** Nothing contained herein shall be construed as a limitation on the right of either Party to pursue any remedy it may have at law or in equity.
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

CDG SPONSOR _____________________
Name (Print): _________________
Signature: _________________
Title: _________________
Date: _______________

UTILITY _____________________
Name (Print): _________________
Signature: _________________
Title: _________________
Date: _______________
EXHIBIT A

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

Con Edison CDG Billing
4 Irving Pl, 9th Floor
New York, NY 10003
netcrediting@coned.com (preferred)

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

_______________________________________________________.
APPENDIX E
CDG HOST PAYMENT AUTHORIZATION

A copy of the Company’s ACH Payment Authorization form is available at:


A completed copy of the form, with voided check or bank letter and W-9 form, should be securely emailed to netcrediting@coned.com with reference to the CDG Host’s Project ID and/or Electric Account Number (if assigned).