

## Attachment 2

## **6.21 Wholesale Distribution Service for Central Hudson Gas and Electric Corporation**

### **6.21.1 Definitions**

**Service Agreement:** The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer and the Transmission Provider for service under the Tariff.

**Transmission Customer:** Any Eligible Customer (or its Designated Agent) that (i) executes a Service Agreement

**Transmission Provider:** Central Hudson Gas & Electric Corporation (or its Designated Agent) that owns, controls, or operates facilities used for the transmission of electric energy in interstate commerce and provides transmission service under the Tariff.

### **6.21.2 Provision Of Service**

Transmission Provider will provide Wholesale Distribution Service in accordance with this Tariff and the pro forma Service Agreement appended hereto.

### **6.21.3 Availability Of Service**

Wholesale Distribution Service will be available to any customer of Transmission Provider who (i) owns an electric generator, including an electric energy storage system, that is connected to Transmission Provider's distribution system, (ii) directly engages in wholesale energy and other market transactions, and (iii) signs a separate agreement with Transmission Provider for the interconnection and parallel operation of its generator.

Export or import of power across the Transmission Provider's Secondary and Primary distribution facilities will be permitted; subject to safety and reliability considerations and may require the installation of mitigation technologies (e.g., fault limiting capability) at the customer's cost.

For purposes of this Wholesale Distribution Service, a customer's on-premises load will be (i) for customers billed under Wholesale Charging Service, the customer's contract demand as determined under Wholesale Charging Service; or (ii) for all other customers, the customer's contract demand under Service Classification No. 14 of Transmission Provider's PSC No. 15 – Schedule for Electricity Service ("PSC No. 15") or, if the customer is exempt from standby service rates pursuant

to Service Classification No. 14 of Transmission Provider's PSC No. 15, (a) in the case of an existing customer, the Contract Demand shall initially be set at the maximum metered demand over the previous twelve (12) months or (b) in the case of a new customer, the Contract Demand shall be determined by assessing the nameplate rating of the equipment to be served, and projecting the coincidence and diversity of the new customer's load. The Contract Demand so determined shall be provided to the customer, in writing, at least ten (10) days prior to the customer commencing service.

#### **6.21.3.1 Deferral of Service**

The Transmission Provider may defer providing service until it completes construction of new distribution facilities or upgrades needed to provide Wholesale Distribution Service whenever the Transmission Provider determines that providing the requested service would, without such new facilities or upgrades, impair or degrade reliability or safety to any existing distribution services.

#### **6.21.3.2 Execution of Service Agreement**

Failure of an Eligible Customer for Wholesale Distribution Service to execute and return the Service Agreement or request the filing of an unexecuted service agreement pursuant to Section 6.21.3.2 of this tariff, within fifteen (15) days after it is tendered by the Transmission Provider, will be deemed a withdrawal and termination of the application and any deposit submitted shall be refunded with interest. Nothing herein limits the right of an Eligible Customer to file another application after such withdrawal and termination.

#### **6.21.4 Nature And Terms of Service**

Wholesale Distribution Service will entail the delivery of electric energy over Transmission Provider's distribution facilities, in accordance with the rates, terms and conditions specified in this tariff and the appended pro forma Service Agreement.

#### **6.21.5 Rates and Charges**

### **6.21.5.1 Wholesale Distribution Export Service**

Central Hudson will deliver the electric energy produced by Customer's generator, net of the electric energy consumed by Customer's on-site load, from Customer's premises over Central Hudson's distribution facilities to the Transmission System. The amount of energy delivered shall not exceed the capacity available on Central Hudson's facilities for such deliveries ("Maximum Delivery Capacity"), as specified on Attachment No. 1 of the Customer's Service Agreement for Wholesale Distribution Service. Customer shall schedule the deliveries of that energy in accordance with the then-effective procedures of the New York Independent System Operator, Inc. ("NYISO") and Central Hudson.

#### **6.21.5.1.1 Service Charge**

6.21.5.1.1.1 Each month Customer shall pay Central Hudson a Minimum charge along with a charge for Wholesale Distribution Export Service that is equal to the (i) Customer's Wholesale Distribution Quantity less (ii) Customer's Standby Service Quantity (the difference is hereafter referred to as the "Demand Quantity") multiplied by (iii) the applicable demand rate specified in Section VI – Statement of Export Rates to this pro forma agreement for Wholesale Distribution Service. If the Demand Quantity is zero, the charge for Wholesale Distribution Export Service is the Minimum charge.

6.21.5.1.1.2 The Wholesale Distribution Quantity is the lesser of (i) the nameplate rating of the Customer's generator as specified in Attachment No. 1 hereto and (ii) the Maximum Delivery Capacity as specified in the interconnection agreement between Customer and Central Hudson.

- 6.21.5.1.1.3 Customer's Standby Service Quantity is, as applicable, (i) Customer's contract demand under standby service rates established pursuant to Service Classification No. 14 of Central Hudson's P.S.C. No. 15 or (ii) the Customer's Contract Demand if Central Hudson provides Wholesale Distribution Charging Service pursuant to this Wholesale Distribution tariff.
- 6.21.5.1.1.4 The Minimum charge and demand rates shall be revised periodically to reflect changes in the costs and billing determinants of Central Hudson's primary and secondary distribution facilities.
- 6.21.5.1.1.5 Customer shall notify Central Hudson of any change in the nameplate rating of its generator, and charges hereunder shall be changed accordingly.
- 6.21.5.1.1.6 In any monthly billing period, if the Customer's actual delivery to Central Hudson under this Agreement exceeds the Wholesale Distribution Quantity, this higher delivery quantity shall become the new Wholesale Distribution Quantity for that month and thereafter. In addition, the Customer shall be subject to a surcharge for the monthly billing period in which the exceedance occurred equal to the excess energy in kilowatts ("kW") multiplied by (i) 12 times the monthly Contract Demand charge for such excess demand will apply to that monthly bill if the kW increment is 10 percent or less or (ii) 24 times the applicable Wholesale Distribution Service monthly demand rate if the kW increment is greater than 10 percent more than the Wholesale Distribution Quantity.
- 6.21.5.1.1.7 Customers exporting to the NYISO are eligible to participate in Wholesale Value Stack pursuant to Central Hudson's P.S.C. No. 15. Subject to eligibility to

export to the NYISO or to third parties, Customers participating in Wholesale Value Stack are exempt from the Statement of Export Rates in Section VI of this Wholesale Distribution Tariff.

| Technology Type  | Limit on System Size |                 |
|--|----------------------|-----------------|
|  | Residential          | Non-Residential |
| <b>Eligibility Pursuant to PSL §66-j and §66-l</b>                     |                      |                 |
| <b>Micro-CHP</b>   | 10 kW                | N/A             |
| <b>Solar</b>   | Up to 5 MW           |                 |
| <b>Farm Service Solar</b>  |                      |                 |
| <b>Micro-hydroelectric</b>   |                      |                 |
| <b>Fuel Cell</b>   |                      |                 |
| <b>Farm Waste</b>  |                      |                 |
| <b>Wind</b>  |                      |                 |
| <b>Farm Wind</b>   |                      |                 |
| <b>Eligibility Pursuant to September 12, 2018 Order</b>                |                      |                 |
| <b>CES Tier 1 Eligible Resources<br/>(not previously NEM eligible)</b> | Up to 5 MW           |                 |
| <b>Stand-Alone Storage/<br/>Regenerative Braking</b>                   |                      |                 |

6.21.5.1.1.8 Customers with stand-alone energy systems exporting to the NYISO that have paid the 25 percent interconnection deposit or signed an interconnection agreement by December 31, 2025 shall be exempt from Contract Demand Charges for a period of 15 years following their in-service date.

6.21.5.1.1.9 Customers exporting to the NYISO are ineligible to participate in Grandfathered Net Metering or Phase One Net Metering under Central Hudson’s P.S.C. No. 15.

6.21.5.1.1.10 Customers exporting to the NYISO are ineligible to take retail service under SC 10 of Central Hudson’s P.S.C. No. 15. An existing SC 10 Customer electing to export to the NYISO must make that election by August 1 for such service to be effective the following May 1. Similarly, a Customer exporting to the NYISO who elects to export to Central Hudson under SC 10 must notify Central Hudson by

August 1 for such service to be effective the following May 1. Customers who are not yet interconnected to Central Hudson's distribution system that are eligible to take service under this service classification and that elect to export to the NYISO must notify the Central Hudson at time of their interconnection application and will take service pursuant to this Wholesale Distribution tariff.

6.21.5.1.1.11 Customers exporting to the NYISO may also participate in Central Hudson's load management programs specified in General Information Section 44 and 44.1 pursuant to P.S.C. No. 15.

#### **6.21.5.2 Wholesale Distribution Charging Service**

Customers with stand-alone Electric Energy Storage systems charging to sell through the NYISO-administered wholesale markets, shall pay, each month, Central Hudson a charge specified in Section VII – Statement of Wholesale Charging Rate delivery service of this Wholesale Distribution Tariff. These Customers cannot be served under PSC No. 15. Customers may be subject to charges by NYISO or a third party for supply service.

**6.21.5.2.1** Billing under Wholesale Charging Service rates requires the establishment of a Contract Demand, expressed in kilowatts ("kW"). A Customer with a generating facility may establish its Contract Demand in its application for Wholesale Distribution Charging or at any time thereafter. If the Contract Demand is not stated in the application, Central Hudson will establish the Contract Demand at the maximum potential demand. At any time, if the monthly maximum demand exceeds the Contract Demand, the monthly maximum demand will become the Contract Demand in that month and thereafter. The monthly demand will be the highest 15-minute integrated kilowatt demand established during the monthly

period for which a bill is rendered. For all instances where the customer's actual metered monthly demand exceeds the customer's Contract Demand, the customer's Contract Demand will be increased to the new peak. If, in any given billing month, there is a failure in meter data acquisition that results in the failure to measure the actual monthly peak demand, the Contract Demand shall be used for billing and recording purposes.

6.21.5.2.1.1 Where the Customer Establishes the Contract Demand

- (1) The Contract Demand may be increased by the customer at any time with written notice to the Company. Such notice must be provided at least ten (10) days prior to the first day of the customer's next billing cycle.
- (2) For a customer that elects to establish its own Contract Demand, if, in any billing month, the customer's actual metered demand exceeds the customer's Contract Demand:
  - (a) by less than ten percent (10%) then an adjustment charge equal to the product of twelve (12) times the contract demand rate times the demand in excess of the Contract Demand shall apply to that monthly bill, or
  - (b) by ten percent (10%) but less than twenty percent (20%) then an adjustment charge equal to the product of eighteen (18) times the contract demand rate times the demand in excess of the Contract Demand shall apply to that monthly bill, or
  - (c) by twenty percent (20%) or more then an adjustment charge equal to the product of twenty-four (24) times the contract demand rate times the demand in excess of the Contract Demand shall apply to that monthly bill.

6.21.5.2.1.2 Where Central Hudson Establishes the Contract Demand:

Central Hudson will determine, and may thereafter re-determine, the Customer's Contract Demand if one is not established by the Customer.

Central Hudson will establish Contract Demand in accordance with the following principles:

- (1) In the case of an existing customer, the Contract Demand shall initially be set at the maximum metered demand over the previous twelve (12) months;
- (2) In the case of a new customer, the Contract Demand shall be determined by assessing the nameplate rating of the equipment to be served, and projecting the coincidence and diversity of the new customer's load. The Contract Demand so determined shall be provided to the customer, in writing, at least ten (10) days prior to the customer commencing service.

**6.21.5.2.2** If the customer demonstrates that electricity-producing equipment has been removed or disabled in place or appropriate load limiting devices are installed and operated, the Contract Demand may be reduced upon written request from the customer and written acknowledgement of the request from the Company, except that if the Company does not accept or reject the request within ten (10) days of its receipt, the request shall be deemed granted. Such notice must be provided at least ten (10) days prior to the first day of the customer's next billing cycle. The Contract Demand may be reduced no more than one time in a 365-day period and/or 365 days from any increase in Contract Demand. Seasonal and other temporary fluctuations in load of the customer's existing facilities such as heating and air conditioning, and temporary reductions in manufacturing, shall not qualify for reductions in Contract Demand.

**6.21.5.2.3** The Daily-As-Used demand for customers shall be the highest 15-minute integrated kilowatt demand established during the peak hours of 7 a.m. to 11 p.m. of every weekday and super peak hours of 2 p.m. to 7 p.m. of every weekday during the months of June-September. All remaining hours are defined as off-peak hours. If, in any given billing month, there is a failure in the metered usage data acquisition that results in the failure to record daily demand data, Central Hudson reserves the right to estimate reasonable values for the missing data for billing and recording purposes.

**6.21.5.2.4** The Interconnection Requirements and Fees as specified in Service Classification No. 14 under PSC No. 15 applies to Customers served under Wholesale Distribution Service.

**6.21.5.3 Taxes**

All rates and charges billed under this Tariff shall be increased pursuant to General Information Section 30 – Increase in Rates Applicable in Municipality Where Service is Supplied - of Central Hudson’s P.S.C. No. 15 to reflect the tax rates applicable within the municipality where the customer takes service.

#### **6.21.5.4 Metering, Billing, Dispute Resolution and Payment**

**6.21.5.4.1** Central Hudson will provide Customers a monthly bill for service under this Agreement.

**6.21.5.4.2** The provision of General Information Section 12, 13, 14, 16 and 20 of Central Hudson's PSC No. 15 are applicable with respect to payment matters, including back bills, estimated bills, tampered equipment, inability to gain access, deferred payment agreements, late payment, and interest on overpayments.

**6.21.5.4.3** Interval metering and remote meter reading capability are required of all customers taking service under the rates of Wholesale Export or Wholesale Charging. Customers shall be responsible for all meter and installation costs and all costs associated with providing telecommunications to the meter to enable remote meter reading capability.

#### **6.21.5.5 Limitation of Liability**

Central Hudson will endeavor at all times to provide Wholesale Distribution Service under this Agreement in a regular and uninterrupted manner. But if such service is interrupted or irregular or fails because of circumstances beyond Central Hudson's control or the ordinary negligence of its employees, servants, or agents, Central Hudson will not be liable therefore. Any liability that Central Hudson might bear for service interruptions under other circumstances shall not include indirect, incidental, punitive, special, or consequential damages.

#### **6.21.5.6 Other Services**

Customer shall not sell energy produced by its generator to Central Hudson during the term of this Agreement. If Customer desires to sell energy pursuant to SC 10 of Central Hudson's P.S.C. No. 15, Customer shall terminate this Agreement upon thirty (30) days written notice to Central Hudson and apply for service under Central Hudson's P.S.C. No. 15.

### 6.21.6 Statement Of Export Rates

Customers taking Wholesale Distribution Export Service to sell through the NYISO-administered wholesale markets shall pay the rates of one of the following service levels. The Minimum Charge as specified below shall be waived under Wholesale Distribution Export Service if service is taken by the customer under both Wholesale Distribution Export Service and Wholesale Distribution Charging Service through the same service connection.

| <u>Service Level</u>                               | <u>Rate</u> |
|--|-------------|
| <b><u>Secondary</u></b>                            |             |
| Minimum Charge (per month)                         | \$93.51     |
| Contract Demand                                    | \$0.61/kW   |
| <b><u>Primary Up to and Including 1,000 kW</u></b> |             |
| Minimum Charge (per month)                         | \$1,118.72  |
| Contract Demand                                    | \$0.26/kW   |
| <b><u>Primary in Excess of 1,000 kW</u></b>        |             |
| Minimum Charge (per month)                         | \$6,603.91  |
| Contract Demand                                    | \$0.31/kW   |
| <b><u>Substation</u></b>                           |             |
| Minimum Charge (per month)                         | \$13,013.22 |
| Contract Demand                                    | \$0.00/kW   |
| <b><u>Transmission</u></b>                         |             |
| Minimum Charge (per month)                         | \$32,648.75 |
| Contract Demand                                    | \$0.00/kW   |
| <u>Service Level</u>                               | <u>Rate</u> |
| <b><u>Secondary</u></b>                            |             |
| Minimum Charge (per month)                         | \$97.51     |
| Contract Demand                                    | \$0.63/kW   |
| <b><u>Primary Up to and Including 1,000 kW</u></b> |             |
| Minimum Charge (per month)                         | \$1,177.45  |

|                        |                  |
|------------------------|------------------|
| <u>Contract Demand</u> | <u>\$0.22/kW</u> |
|------------------------|------------------|

**Primary in Excess of 1,000 kW**

|                                   |                   |
|-----------------------------------|-------------------|
| <u>Minimum Charge (per month)</u> | <u>\$6,810.53</u> |
|-----------------------------------|-------------------|

|                        |                  |
|------------------------|------------------|
| <u>Contract Demand</u> | <u>\$0.28/kW</u> |
|------------------------|------------------|

**Substation**

|                                   |                    |
|-----------------------------------|--------------------|
| <u>Minimum Charge (per month)</u> | <u>\$16,426.71</u> |
|-----------------------------------|--------------------|

|                        |                  |
|------------------------|------------------|
| <u>Contract Demand</u> | <u>\$0.00/kW</u> |
|------------------------|------------------|

**Transmission**

|                                   |                    |
|-----------------------------------|--------------------|
| <u>Minimum Charge (per month)</u> | <u>\$38,286.35</u> |
|-----------------------------------|--------------------|

|                        |                  |
|------------------------|------------------|
| <u>Contract Demand</u> | <u>\$0.00/kW</u> |
|------------------------|------------------|

These rates shall be revised periodically to reflect changes in the costs and billing determinants of Central Hudson's primary and secondary distribution facilities.

### 6.21.7 Statement of Charging Rates

Customers with stand-alone Electric Energy Storage systems charging for wholesale purposes, as approved by NYISO shall pay the rates of one of the following service levels for wholesale charging rates for delivery service.

| <u>Service Level</u>                       | <u>Rate</u>  |
|--|--------------|
| <u>Primary up to and including 1000 kW</u> |              |
| Customer Charge                            | \$1,118.72   |
| Contract Demand                            | \$0.75/kW    |
| Daily As-Used Peak                         | \$0.09741/kW |
| Daily As-Used Super Peak                   | \$0.03077/kW |
| Reactive Demand Charge                     | \$0.83/Rkva  |
| <u>Primary in excess of 1000 kW</u>        |              |
| Customer Charge                            | \$6,603.91   |
| Contract Demand                            | \$0.80/kW    |
| Daily As-Used Peak                         | \$0.08619/kW |
| Daily As-Used Super Peak                   | \$0.02653/kW |
| Reactive Demand Charge                     | \$0.83/Rkva  |
| <u>Secondary</u>                           |              |
| Customer Charge                            | \$93.51      |
| Contract Demand                            | \$0.61/kW    |
| Daily As-Used Peak                         | \$0.32592/kW |
| Daily As-Used Super Peak                   | \$0.11433/kW |
| Reactive Demand Charge                     | \$0.83/Rkva  |
| <u>Substation</u>                          |              |
| Customer Charge                            | \$13,013.22  |
| Contract Demand                            | \$0.33/kW    |
| Daily As-Used Peak                         | \$0.03106/kW |
| Daily As-Used Super Peak                   | \$0.00986/kW |
| Reactive Demand Charge                     | \$0.83/Rkva  |
| <u>Transmission</u>                        |              |
| Customer Charge                            | \$32,648.75  |
| Contract Demand                            | \$0.00/kW    |
| Daily As-Used Peak                         | \$0.00000/kW |
| Daily As-Used Super Peak                   | \$0.00000/kW |
| Reactive Demand Charge                     | \$0.83/Rkva  |
| <u>Service Level</u>                       | <u>Rate</u>  |

Primary up to and including 1000 kW

|                                 |                     |
|---------------------------------|---------------------|
| <u>Customer Charge</u>          | <u>\$1,177.45</u>   |
| <u>Contract Demand</u>          | <u>\$0.73/kW</u>    |
| <u>Daily-As-Used Peak</u>       | <u>\$0.09906/kW</u> |
| <u>Daily-As-Used Super Peak</u> | <u>\$0.03129/kW</u> |
| <u>Reactive Demand Charge</u>   | <u>\$0.83/Rkva</u>  |

Primary in excess of 1000 kW

|                                 |                     |
|---------------------------------|---------------------|
| <u>Customer Charge</u>          | <u>\$6,810.53</u>   |
| <u>Contract Demand</u>          | <u>\$0.79/kW</u>    |
| <u>Daily-As-Used Peak</u>       | <u>\$0.10068/kW</u> |
| <u>Daily-As-Used Super Peak</u> | <u>\$0.03098/kW</u> |
| <u>Reactive Demand Charge</u>   | <u>\$0.83/Rkva</u>  |

Secondary

|                                 |                     |
|---------------------------------|---------------------|
| <u>Customer Charge</u>          | <u>\$97.51</u>      |
| <u>Contract Demand</u>          | <u>\$0.63/kW</u>    |
| <u>Daily-As-Used Peak</u>       | <u>\$0.34233/kW</u> |
| <u>Daily-As-Used Super Peak</u> | <u>\$0.12020/kW</u> |
| <u>Reactive Demand Charge</u>   | <u>\$0.83/Rkva</u>  |

Substation

|                                 |                     |
|---------------------------------|---------------------|
| <u>Customer Charge</u>          | <u>\$16,426.71</u>  |
| <u>Contract Demand</u>          | <u>\$0.38/kW</u>    |
| <u>Daily-As-Used Peak</u>       | <u>\$0.03728/kW</u> |
| <u>Daily-As-Used Super Peak</u> | <u>\$0.01184/kW</u> |
| <u>Reactive Demand Charge</u>   | <u>\$0.83/Rkva</u>  |

Transmission

|                                 |                     |
|---------------------------------|---------------------|
| <u>Customer Charge</u>          | <u>\$38,286.35</u>  |
| <u>Contract Demand</u>          | <u>\$0.00/kW</u>    |
| <u>Daily-As-Used Peak</u>       | <u>\$0.00000/kW</u> |
| <u>Daily-As-Used Super Peak</u> | <u>\$0.00000/kW</u> |
| <u>Reactive Demand Charge</u>   | <u>\$0.83/Rkva</u>  |

The Transmission rate shall be applicable to customers taking service at 69,000 volts or higher. The Substation rate shall be applicable to customers served on the low-side of a substation where high-side voltage is 69,000 volts or higher.

#### Reactive Demand

The Reactive Demand will be the highest 15-minute integrated kilovoltamperes of lagging reactive demand established during the month less one-third of the highest 15-minute integrated kilowatt demand established during that month. Mathematically, this means that systems with a 94.87% Power Factor or greater would result in zero billed Reactive Demand.

These rates shall be revised periodically to reflect changes in the costs and billing determinants of Central Hudson's primary and secondary distribution facilities.

**APPENDIX**

**PRO FORMA SERVICE AGREEMENT  
FOR  
WHOLESALE DISTRIBUTION SERVICE**

**SERVICE AGREEMENT  
FOR  
WHOLESALE DISTRIBUTION SERVICE**

This Wholesale Distribution Service Agreement (“Agreement”), dated \_\_\_\_\_, 20\_\_, between Central Hudson Gas & Electric (“Central Hudson”), a New York corporation having an office at 284 South Ave., Poughkeepsie, New York, 12601, and \_\_\_\_\_ (“Customer”), a \_\_\_\_\_ corporation, having an office at \_\_\_\_\_, (collectively, “Parties”)

**WITNESSES**

**WHEREAS**, Central Hudson owns and operates an electric transmission and distribution system in a franchised service area in New York;

**WHEREAS**, Central Hudson uses that system to provide retail electric sales service pursuant to PSC No. 15 – Schedule for Electricity Service (“PSC No. 15”) on file with the New York Public Service Commission (“NYPSC”), or wholesale electric sales service under this Wholesale Distribution Service;

**WHEREAS**, the New York Independent System Operator, Inc. (“NYISO”) exercises operational control over transmission facilities in New York in accordance with an Open Access Transmission Tariff (“NYISO OATT”) and administers markets for the sale and purchase of electric capacity, energy, and ancillary services;

**WHEREAS**, Customer owns and operates an electric generator, which may include an electric energy storage system, that is interconnected to Central Hudson’s distribution system in accordance with an Interconnection Agreement with Central Hudson;

**WHEREAS**, Customer proposes to use such electric generator to sell any energy exports into the NYISO markets;

**WHEREAS**, Customer has requested that Central Hudson deliver such energy export that Customer will sell exclusively through the NYISO-administered wholesale markets from Customer's premises over Central Hudson's distribution facilities to an electric transmission substation ("Substation") designated in Attachment No. 1 hereto, where the sale will occur, and, if applicable, request for Wholesale Charging Service;

**WHEREAS**, Central Hudson agrees to provide that delivery service ("Wholesale Distribution Service") in accordance with the terms and conditions of this agreement;

**NOW THEREFORE**, in consideration of the premises and mutual promises stated herein, Central Hudson and Customer agree as follows:

## **ARTICLE I GENERAL TERMS AND CONDITIONS**

### **1.1 Incorporation by Reference**

Except as is otherwise expressly provided herein, this Agreement incorporates by reference the terms and conditions of the Wholesale Distribution Tariff, and Central Hudson's PSC No. 15, as such tariffs may be amended or superseded from time to time. In the event of any conflict between the terms of this Agreement and those of such tariffs, the terms of this Agreement shall govern with respect to matters provided herein.

### **1.2 Term**

This Agreement is effective as of the date first written above and shall remain in effect until Customer permanently discontinues wholesale energy and other wholesale market transactions through the NYISO-administered wholesale markets or until this Agreement is terminated (i) in accordance with its terms, (ii) by mutual agreement of the Parties, (iii) or by an order of the Federal Energy Regulatory Commission ("FERC").

## **ARTICLE II CUSTOMER OBLIGATIONS**

### **2.1 Creditworthiness**

For the purpose of determining the ability of the Customer to meet its obligations related to service hereunder, the Central Hudson may require reasonable credit review procedures. This review shall be made in accordance with standard commercial practices. In addition, Central Hudson may require the Customer to provide and maintain in effect during the term of the Service Agreement, an unconditional and irrevocable letter of credit as security to meet its responsibilities and obligations under the Tariff, or an alternative form of security proposed by the Customer and acceptable to Central Hudson and consistent with commercial practices established by the Uniform Commercial Code that protects the Central Hudson against the risk of non-payment. Customer shall not be obligated to provide a security deposit solely in connection with service under this

Agreement, but shall comply with the requirements set forth in General Rule 17 of Central Hudson's PSC No. 15 for creditworthiness and security deposits.

## **2.2 Billing and Payments**

Customer shall pay to Central Hudson all charges assessed to Customer under this Wholesale Distribution Service Tariff and PSC No. 15.

**2.2.1 Billing Procedure:** Within a reasonable time after the first day of each month, the Transmission Provider shall submit an invoice to the Transmission Customer for the charges for all services furnished under the Tariff during the preceding month. The invoice shall be paid by the Transmission Customer within twenty (20) days of receipt. All payments shall be made in immediately available funds payable to the Transmission Provider, or by wire transfer to a bank named by the Transmission Provider.

**2.2.2 Interest on Unpaid Balances:** Interest on any unpaid amounts (including amounts placed in escrow) shall be calculated in accordance with the methodology specified for interest on refunds in the Commission's regulations at 18 C.F.R. § 35.19a(a)(2)(iii). Interest on delinquent amounts shall be calculated from the due date of the bill to the date of payment. When payments are made by mail, bills shall be considered as having been paid on the date of receipt by the Transmission Provider.

**2.2.3 Customer Default:** In the event the Transmission Customer fails, for any reason other than a billing dispute as described below, to make payment to the Transmission Provider on or before the due date as described above, and such failure of payment is not corrected within thirty (30) calendar days after the Transmission Provider notifies the Transmission Customer to cure such failure, a default by the Transmission Customer shall be deemed to exist. Upon the occurrence of a default, the Transmission Provider may initiate a proceeding with the Commission to terminate service but shall not terminate service until the Commission so approves any such request. In the event of a billing dispute between the Transmission Provider and the Transmission Customer, the Transmission Provider will continue to provide service under the Service Agreement as long as the Transmission Customer (i) continues to make all payments not in dispute, and (ii) pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Transmission Customer fails to meet these two requirements for continuation of service, then the Transmission Provider may provide notice to the Transmission Customer of its intention to suspend service in sixty (60) days, in accordance with Commission policy.

## **2.3 Representations and Warranties**

Customer represents and warrants that the information in Attachment No. 1 is correct. Customer will promptly inform Central Hudson of any changes in such information.



Notwithstanding any provision of this Agreement, Central Hudson may, unilaterally and at any time, propose and file with the FERC and/or NYPS&C changes to the rates, terms, and conditions of the Central Hudson Wholesale Distribution Tariff and Central Hudson's P.S.C. No. 15. Such amendment or modification will become effective with respect to service pursuant to this Agreement on the date specified by the FERC or NYPS&C.

### **3.4 Prior Agreements Superseded**

This Agreement constitutes the entire understanding between the parties hereto with respect to the subject matter hereof, supersedes any and all previous understandings between the parties with respect to the subject matter hereof, and binds and inures to the benefit of the parties, their successors and permitted assigns.

### **3.5 Waiver and Modification**

No modification or waiver of all or any part of this Agreement will be valid unless in writing and signed by the parties hereto. Any waiver will be effective only for the particular event for which it is issued and will not be deemed a waiver with respect to any subsequent performance, default or matter.

### **3.6 Applicable Law and Forum**

Interpretation and performance of this Agreement will be in accordance with, and will be controlled by, the laws of the State of New York except its conflict of laws provisions to the extent they would require the application of the laws of any other jurisdiction. Customer irrevocably consents that any legal action or proceeding arising under or relating to this Agreement will be brought in a court of the State of New York or a federal court of the United States of America located in the State of New York, County of New York. Customer irrevocably waives any objection that it may now or in the future have to the State of New York, County of New York as the proper and exclusive forum for any legal action or proceeding arising under or relating to this Agreement.

### **3.7 Severability**

If one or more provisions herein will be invalid, illegal or unenforceable in any respect it will be given effect to the extent permitted by applicable law, and such invalidity, illegality or unenforceability will not affect the validity of the other provisions of this Agreement.

### **3.8 Agency**

This Agreement is not intended, and will not be construed, to create any association, joint venture, agency relationship or partnership between Central Hudson and Customer or to impose any such obligation or liability upon Central Hudson.

### **3.9 Not for the Benefit of Non-Parties**

This Agreement is for the benefit of Customer and Central Hudson, and is not for the benefit of third parties.

**IN WITNESS WHEREOF**, Central Hudson and Customer have executed this Agreement as of the date first written above.

CENTRAL HUDSON GAS & ELECTRIC

[insert Customer name]

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Name

Title:

Title

|

|

**ATTACHMENT NO.1**

**CUSTOMER INFORMATION FORM**

## CUSTOMER INFORMATION

1. Customer Name: \_\_\_\_\_  
DBA Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Town/City: \_\_\_\_\_  
State: \_\_\_\_\_ Zip Code + 4: \_\_\_\_\_ Room: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_ Fax No.: \_\_\_\_\_
  
2. Address of Customer's Generator:  
Street Address: \_\_\_\_\_  
Town/City: \_\_\_\_\_  
State: \_\_\_\_\_ Zip Code + 4: \_\_\_\_\_ Room: \_\_\_\_\_
  
3. Customer Contact Personnel (Name and Telephone Number)  
\_\_\_\_\_  
\_\_\_\_\_
  
4. Customer's Internet Address \_\_\_\_\_@\_\_\_\_\_
  
5. Substation:
  
6. Distribution Facilities to which generator is connected (primary or secondary)

**For Wholesale Export Service:**

Customer is electing to take Wholesale Export Service

7. Generator Rating: \_\_\_\_\_ kW ( if the rating varies seasonally, enter the average)
  
8. Maximum Delivery Capacity: \_\_\_\_\_ kW (as specified in the interconnection agreement between Customer and Central Hudson)
  
9. Standby Service/Wholesale Charging Service Contract Demand (if applicable): \_\_\_\_\_ kW

**For Wholesale Charging Service:**

Customer is electing to take Wholesale Charging Service

**Contract Demand Election**

The Customer hereby requests the following Contract Demand option, in accordance with the Tariff:

\_\_\_\_\_ Customer nominates a Contract Demand level of \_\_\_\_\_kW.

\_\_\_\_\_ Customer requests Central Hudson to establish the Contract Demand level.

Service to be supplied to the Customer will be supplied and conditioned on the Customer's ongoing compliance with the terms, conditions and procedures set forth in both the Service Agreement and the Central Hudson's PSC 15 as both may be amended from time to time.