

**PRELIMINARY DRAFT FOR DISCUSSION PURPOSES ONLY****8.4 Eligibility to Obtain Services Under This Tariff**

In addition to any other requirements set forth in this Tariff, any end use Customer seeking to obtain any service under this Tariff, including purchases from any of the ISO Administered Markets, shall satisfy the following requirements:

**A. Where the end use Customer purchases from a reseller:**

The reseller shall be responsible, to the satisfaction of any taxing authority, for the payment or collection of New York state and local sales and “gross receipts” taxes such as those imposed by or pursuant to New York State Tax Law §§ 186-a and 1201(a), General City Law § 20-b and Village Law § 5-530 associated with such services or purchase unless the end use Customer satisfies any of the requirements of Sections B.1, B.2 or B.3 below with respect to each such tax.

**B. Where no reseller is involved, the end use Customer shall, with respect to each tax that may be associated with the transaction, irrespective of whether such tax is a tax upon the customer or upon a third party:**

1. Hold a valid exemption certificate (*e.g.* as a charitable organization) from the taxing authority that exempts the customer or the transaction from the associated tax, or the substantial equivalent thereto; or
2. Be a governmental entity that is not subject to the tax or whose transactions are not subject to a tax imposed upon a third party; or
3. Hold a valid direct pay permit such as that authorized pursuant to N.Y. Tax Law § 1132, or the substantial equivalent thereto, pursuant to which the end use Customer has entered into a formal written arrangement with the taxing authority pursuant to which the end use Customer accounts for

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and pays directly to the taxing authority its own tax liability or that of the seller.

4. With respect to local gross receipts taxes, present a certification or other satisfactory written evidence from each jurisdiction within New York State in which the end use Customer will use any service obtained under this Tariff that such jurisdiction does not impose a gross receipts tax or that the receipts from the purchase by or sale to such end use Customer of such service are not subject to the gross receipts tax imposed by such jurisdiction.

Arrangements that are the “substantial equivalent” shall, at a minimum, provide that no obligation to pay or collect any tax shall be imposed on the NYISO or on any party other than the end use Customer or the reseller providing service to the end use Customer.