

PSC NO. 220 ELECTRICITY  
 NIAGARA MOHAWK POWER CORPORATION  
 INITIAL EFFECTIVE DATE: DECEMBER 1, 2018  
 STAMPS: Issued in Compliance with Order Issued September 12, 2018 in Case 15-E-0751 and 15-E-0082.

LEAF NO. 220  
 REVISION: 6  
 SUPERSEDING REVISION: 5

## GENERAL INFORMATION

### 40. VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

#### 40.2 VALUE STACK

##### Eligibility:

40.2.1 A customer satisfying the threshold requirements of 40.2.1.1 below and who also meets one of the requirements of 40.2.1.2 through 40.2.1.11 will be required to receive project compensation under the VDER Value Stack tariff which will be based on monetary crediting for net hourly injections:

40.2.1.1 Any customer, residential or non-residential, who owns or operates electric generating equipment ("Facility"), as defined in Public Service Law ("PSL") Section 66-j or Section 66-l, limited in size in conformance with the statute for each Facility type and customer type that generates electric energy in accordance with the criteria as set forth in Rule 36.1.7; with the exception that the customer class and capacity limitations are removed under this Rule 40.2, and the 2 MW limit on eligible technologies will be increased to 5 MW for compensation under this Rule 40.2, except for CHP technologies; or

40.2.1.1.1 A customer with Newly Eligible Technologies, regardless of the vintage date requirement qualifying them as a Tier 1 REC eligible resource, including but not limited to: anaerobic food waste digesters, biomass, liquid biofuel, and tidal/ocean; or

40.2.1.1.2 A customer with eligible stand-alone storage, including storage paired with consumption load or charged using regenerative braking technologies, and vehicle-to-grid ("V2G") systems, with the following restrictions:

40.2.1.1.2.1 A customer with eligible stand-alone storage compensated under this Rule 40.2, who is not otherwise charged hourly pricing for energy supply under Rule 46.1.3, will be required to opt in to hourly supply pricing under Service Classification No. 2, Special Provision P, or Service Classification No. 3, Special Provision N, as applicable. Excluded from this requirement are customers with stand-alone storage sized not to exceed 115% of the customer's peak consumption load.

40.2.1.1.2.2 A customer with eligible stand-alone storage where the stand-alone storage is separately metered shall be required to opt in to hourly supply pricing for the stand-alone storage metered usage only.

Projects eligible under Rule 40.2.1.1.1 or 40.2.1.1.2 will receive Value Stack compensation for a term of 25 years from their interconnection date, after which the project may transition to the then-applicable tariff for compensating DERs if desired only if the project meets all compensation eligibility requirements at such time.