

P.S.C. 220 ELECTRICITY
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: JANUARY 29, 2021

STATEMENT TYPE: VDER-CR
 WORKPAPERS FOR STATEMENT NO. 40
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Value Stack Cost Recovery Mechanisms
VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

Capacity Market Value Cost Recovery - ALTERNATIVE 1
Rule 40.3.2.1

Average Monthly NYISO Spot Auction Capacity Price: \$ 1.40 /kW

Total of Alternative 1 VDER Projects' Net Injections at hour of NYISO Peak: 10,684 kW

Total Alternative 1 Capacity Market Value Cost to Recover: \$ 14,940.07

Cost Allocation

Service Class (with Voltage Delivery Level)	<u>1CP Allocator</u>	
SC1	40.99%	\$6,123.94
SC1C	0.81%	\$121.01
SC2ND	2.54%	\$379.48
SC2D	14.46%	\$2,160.33
SC3-Secondary	13.34%	\$1,993.01
SC3-Primary	5.15%	\$769.41
SC3-Subtransmission/Transmission	1.65%	\$246.51
SC3A-Secondary/Primary	2.98%	\$445.21
SC3A-Sub Transmission	3.75%	\$560.25
SC3A-Transmission	14.31%	\$2,137.92
Streetlighting	0.02%	\$2.99
Total	100.00%	\$14,940.07

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	1,048,634,356	\$0.00001
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	\$0.00001
		<u>\$/kW</u>
SC2D	1,073,355	\$0.00
SC3-Secondary	843,373	\$0.00
SC3-Primary	349,013	\$0.00
SC3-Subtransmission/Transmission	139,365	\$0.00
SC3A-Secondary/Primary	175,416	\$0.00
SC3A-Sub Transmission	268,466	\$0.00
SC3A-Transmission	981,771	\$0.00
		<u>\$/kWh</u>
Streetlighting	15,271,141	\$0.00000

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Value Stack Cost Recovery Mechanisms
VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

Capacity Market Value Cost Recovery - ALTERNATIVE 2
Rule 40.3.2.1

Average Monthly NYISO Spot Auction Capacity Price: \$ 1.40 /kW

Total of Alternative 2 VDER Projects' Net Injections at hour of NYISO Peak: 6,949 kW

Total Alternative 2 Capacity Market Value Cost to Recover: \$ 9,717.02

Cost Allocation

Service Class (with Voltage Delivery Level)	<u>1CP Allocator</u>	
SC1	40.99%	\$3,983.01
SC1C	0.81%	\$78.71
SC2ND	2.54%	\$246.81
SC2D	14.46%	\$1,405.08
SC3-Secondary	13.34%	\$1,296.25
SC3-Primary	5.15%	\$500.43
SC3-Subtransmission/Transmission	1.65%	\$160.33
SC3A-Secondary/Primary	2.98%	\$289.57
SC3A-Sub Transmission	3.75%	\$364.39
SC3A-Transmission	14.31%	\$1,390.51
Streetlighting	0.02%	\$1.94
Total	100.00%	\$9,717.02

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	1,048,634,356	\$0.00000
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	\$0.00000
		<u>\$/kW</u>
SC2D	1,073,355	\$0.00
SC3-Secondary	843,373	\$0.00
SC3-Primary	349,013	\$0.00
SC3-Subtransmission/Transmission	139,365	\$0.00
SC3A-Secondary/Primary	175,416	\$0.00
SC3A-Sub Transmission	268,466	\$0.00
SC3A-Transmission	981,771	\$0.00
		<u>\$/kWh</u>
Streetlighting	15,271,141	\$0.00000

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Value Stack Cost Recovery Mechanisms
VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

Capacity Market Value Cost Recovery - ALTERNATIVE 3
Rule 40.3.2.1

Average Monthly NYISO Spot Auction Capacity Price: \$ 1.40 /kW

Total of Alternative 3 VDER Projects' Net Injections at hour of NYISO Peak: - kW

Total Alternative 3 Capacity Market Value Cost to Recover: \$ -

Cost Allocation

Service Class (with Voltage Delivery Level)	<u>1CP Allocator</u>	
SC1	40.99%	\$0.00
SC1C	0.81%	\$0.00
SC2ND	2.54%	\$0.00
SC2D	14.46%	\$0.00
SC3-Secondary	13.34%	\$0.00
SC3-Primary	5.15%	\$0.00
SC3-Subtransmission/Transmission	1.65%	\$0.00
SC3A-Secondary/Primary	2.98%	\$0.00
SC3A-Sub Transmission	3.75%	\$0.00
SC3A-Transmission	14.31%	\$0.00
Streetlighting	0.02%	\$0.00
Total	100.00%	\$0.00

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	1,048,634,356	\$0.00000
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	\$0.00000
		<u>\$/kW</u>
SC2D	1,073,355	\$0.00
SC3-Secondary	843,373	\$0.00
SC3-Primary	349,013	\$0.00
SC3-Subtransmission/Transmission	139,365	\$0.00
SC3A-Secondary/Primary	175,416	\$0.00
SC3A-Sub Transmission	268,466	\$0.00
SC3A-Transmission	981,771	\$0.00
		<u>\$/kWh</u>
Streetlighting	15,271,141	\$0.00000

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Value Stack Cost Recovery Mechanisms
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Capacity Out of Market Value Cost Recovery
Rule 40.3.2.2

VDER Value Stack Capacity Market Value (Rule 40.3.2.1): \$ 24,657.09

Total VDER Value Stack Capacity Component Paid to Projects: \$ 6,367.84

Total Capacity Out of Market Value Cost to Recover: \$ (18,289.25)

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	46.51%	-\$8,505.46
SC1C	-0.06%	\$10.47
SC2ND	-5.31%	\$971.38
SC2D	19.50%	-\$3,566.15
SC3	34.69%	-\$6,345.39
SC3A	0.00%	\$0.00
Streetlighting	4.67%	-\$854.10
Total	100.00%	-\$18,289.25

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	1,048,634,356	-\$0.00001
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	\$0.00002
		\$/kW
SC2D	1,073,355	\$0.00
SC3	1,331,751	\$0.00
SC3A	1,425,654	\$0.00
		\$/kWh
Streetlighting	15,271,141	-\$0.00006

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Value Stack Cost Recovery Mechanisms
VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

Environmental Market Value Cost Recovery
Rule 40.3.2.3

NYSERDA Tier 1 REC rate in effect for the recovery month: \$ 0.02209 /kWh

Total of VDER Projects' Net Injections during recovery month: 7,231,980 kWh

Total Environmental Market Value Cost to Recover: \$ 159,754.44

The Environmental Market Value costs will be recovered annually as part of the
Clean Energy Standard Supply charge annual reconciliation as specified in Rule 46.3.5.

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Value Stack Cost Recovery Mechanisms
VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

Environmental Out of Market Value Cost Recovery
Rule 40.3.2.4

VDER Value Stack Environmental Market Value (Rule 40.3.2.3): \$ 159,754.44

Total VDER Value Stack Environmental Component Paid to Projects: \$ 191,105.18

Total Environmental Out of Market Value Cost to Recover: \$ 31,350.74

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	46.89%	\$14,701.16
SC1C	-0.03%	-\$9.93
SC2ND	-1.55%	-\$487.23
SC2D	16.96%	\$5,315.71
SC3	33.07%	\$10,366.73
SC3A	1.51%	\$473.13
Streetlighting	3.16%	\$991.16
Total	100.00%	\$31,350.74

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	1,048,634,356	\$0.00001
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	-\$0.00001
		\$/kW
SC2D	1,073,355	\$0.00
SC3	1,331,751	\$0.01
SC3A	1,425,654	\$0.00
		\$/kWh
Streetlighting	15,271,141	\$0.00006

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Value Stack Cost Recovery Mechanisms
VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

DRV Cost Recovery
Rule 40.3.2.5

Total VDER Value Stack DRV Component Paid to **Secondary/Primary** Projects: \$ 3,970.48

Secondary/Primary Cost Allocation

Service Class (with Voltage Delivery Level)	<u>NCP Allocator</u>	
SC1	56.65%	\$2,249.28
SC1C	1.18%	\$46.85
SC2ND	3.30%	\$131.03
SC2D	18.62%	\$739.30
SC3-Secondary	18.51%	\$734.94
SC3-Primary	0.00%	\$0.00
SC3-Subtransmission/Transmission	0.00%	\$0.00
SC3A-Secondary/Primary	0.74%	\$29.38
SC3A-Sub Transmission	0.00%	\$0.00
SC3A-Transmission	0.00%	\$0.00
Streetlighting	1.00%	\$39.70
Total	100.00%	\$3,970.48

Secondary/Primary Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	1,048,634,356	\$0.00000
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	\$0.00000
		<u>\$/kW</u>
SC2D	1,073,355	\$0.00
SC3-Secondary	843,373	\$0.00
SC3-Primary	349,013	\$0.00
SC3-Subtransmission/Transmission	139,365	\$0.00
SC3A-Secondary/Primary	175,416	\$0.00
SC3A-Sub Transmission	268,466	\$0.00
SC3A-Transmission	981,771	\$0.00
		<u>\$/kWh</u>
Streetlighting	15,271,141	\$0.00000

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Value Stack Cost Recovery Mechanisms
VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

DRV Cost Recovery
Rule 40.3.2.5

Total VDER Value Stack DRV Component Paid to **Subtransmission/Transmission** Projects: \$ -

Subtransmission/Transmission Cost Allocation

Service Class (with Voltage Delivery Level)	<u>1CP Allocator</u>	
SC1	40.99%	\$0.00
SC1C	0.81%	\$0.00
SC2ND	2.54%	\$0.00
SC2D	14.46%	\$0.00
SC3-Secondary	13.34%	\$0.00
SC3-Primary	5.15%	\$0.00
SC3-Subtransmission/Transmission	1.65%	\$0.00
SC3A-Secondary/Primary	2.98%	\$0.00
SC3A-Sub Transmission	3.75%	\$0.00
SC3A-Transmission	14.31%	\$0.00
Streetlighting	0.02%	\$0.00
Total	100.00%	\$0.00

Subtransmission/Transmission Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	1,048,634,356	\$0.00000
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	\$0.00000
		<u>\$/kW</u>
SC2D	1,073,355	\$0.00
SC3-Secondary	843,373	\$0.00
SC3-Primary	349,013	\$0.00
SC3-Subtransmission/Transmission	139,365	\$0.00
SC3A-Secondary/Primary	175,416	\$0.00
SC3A-Sub Transmission	268,466	\$0.00
SC3A-Transmission	981,771	\$0.00
		<u>\$/kWh</u>
Streetlighting	15,271,141	\$0.00000

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Value Stack Cost Recovery Mechanisms
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LSRV Cost Recovery
Rule 40.3.2.6

Total VDER Value Stack LSRV Component Paid to **Secondary/Primary** Projects: \$ 1,530.88

Secondary/Primary Cost Allocation

Service Class (with Voltage Delivery Level)	<u>NCP Allocator</u>	
SC1	56.65%	\$867.24
SC1C	1.18%	\$18.06
SC2ND	3.30%	\$50.52
SC2D	18.62%	\$285.05
SC3-Secondary	18.51%	\$283.37
SC3-Primary	0.00%	\$0.00
SC3-Subtransmission/Transmission	0.00%	\$0.00
SC3A-Secondary/Primary	0.74%	\$11.33
SC3A-Sub Transmission	0.00%	\$0.00
SC3A-Transmission	0.00%	\$0.00
Streetlighting	1.00%	\$15.31
Total	100.00%	\$1,530.88

Secondary/Primary Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	1,048,634,356	\$0.00000
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	\$0.00000
		<u>\$/kW</u>
SC2D	1,073,355	\$0.00
SC3-Secondary	843,373	\$0.00
SC3-Primary	349,013	\$0.00
SC3-Subtransmission/Transmission	139,365	\$0.00
SC3A-Secondary/Primary	175,416	\$0.00
SC3A-Sub Transmission	268,466	\$0.00
SC3A-Transmission	981,771	\$0.00
		<u>\$/kWh</u>
Streetlighting	15,271,141	\$0.00000

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Value Stack Cost Recovery Mechanisms
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LSRV Cost Recovery
Rule 40.3.2.6

Total VDER Value Stack LSRV Component Paid to **Subtransmission/Transmission** Projects: \$ -

Subtransmission/Transmission Cost Allocation

Service Class (with Voltage Delivery Level)	<u>1CP Allocator</u>	
SC1	40.99%	\$0.00
SC1C	0.81%	\$0.00
SC2ND	2.54%	\$0.00
SC2D	14.46%	\$0.00
SC3-Secondary	13.34%	\$0.00
SC3-Primary	5.15%	\$0.00
SC3-Subtransmission/Transmission	1.65%	\$0.00
SC3A-Secondary/Primary	2.98%	\$0.00
SC3A-Sub Transmission	3.75%	\$0.00
SC3A-Transmission	14.31%	\$0.00
Streetlighting	0.02%	\$0.00
Total	100.00%	\$0.00

Subtransmission/Transmission Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	1,048,634,356	\$0.00000
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	\$0.00000
		<u>\$/kW</u>
SC2D	1,073,355	\$0.00
SC3-Secondary	843,373	\$0.00
SC3-Primary	349,013	\$0.00
SC3-Subtransmission/Transmission	139,365	\$0.00
SC3A-Secondary/Primary	175,416	\$0.00
SC3A-Sub Transmission	268,466	\$0.00
SC3A-Transmission	981,771	\$0.00
		<u>\$/kWh</u>
Streetlighting	15,271,141	\$0.00000

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Value Stack Cost Recovery Mechanisms
VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

MTC Cost Recovery
Rule 40.3.2.7

Total VDER Value Stack MTC Component Paid to Projects: \$ 27,212.88

Cost Allocation

Service Class (with Voltage Delivery Level)	<u>Allocator</u>	
SC1	93.69%	\$25,496.90
SC1C	0.00%	\$0.00
SC2ND	6.31%	\$1,715.98
Total	100.00%	\$27,212.88

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	1,048,634,356	\$0.00002
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	\$0.00003

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Value Stack Cost Recovery Mechanisms
VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

Community Credit Cost Recovery
Rule 40.3.2.7

Total VDER Value Stack Community Credit Component Paid to Projects: \$ 108,739.86

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	52.17%	\$56,724.77
SC1C	0.00%	\$0.00
SC2ND	4.83%	\$5,252.56
SC2D	16.02%	\$17,423.43
SC3-Secondary	14.68%	\$15,967.79
SC3-Primary	9.69%	\$10,536.35
SC3-Subtransmission/Transmission	0.43%	\$467.53
SC3A-Secondary/Primary	0.00%	\$0.00
SC3A-Sub Transmission	2.18%	\$2,367.43
SC3A-Transmission	0.00%	\$0.00
Total	100.00%	\$108,739.86

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	1,048,634,356	\$0.00005
SC1C	26,540,039	\$0.00000
SC2ND	51,689,306	\$0.00010
		<u>\$/kW</u>
SC2D	1,073,355	\$0.02
SC3-Secondary	843,373	\$0.02
SC3-Primary	349,013	\$0.03
SC3-Subtransmission/Transmission	139,365	\$0.00
SC3A-Secondary/Primary	175,416	\$0.00
SC3A-Sub Transmission	268,466	\$0.01
SC3A-Transmission	981,771	\$0.00