

P.S.C. 220 ELECTRICITY
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: OCTOBER 28, 2020

STATEMENT TYPE: VDER-CR
 WORKPAPERS FOR STATEMENT NO. 37
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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: \$ 0.85 /kW

Total of Alternative 1 VDER Projects' Net Injections at hour of NYISO Peak: 8,543 kW

Total Alternative 1 Capacity Market Value Cost to Recover: \$ 7,290.03

Cost Allocation

Service Class (with Voltage Delivery Level)	1CP Allocator	
SC1	40.99%	\$2,988.18
SC1C	0.81%	\$59.05
SC2ND	2.54%	\$185.17
SC2D	14.46%	\$1,054.14
SC3-Secondary	13.34%	\$972.49
SC3-Primary	5.15%	\$375.44
SC3-Subtransmission/Transmission	1.65%	\$120.29
SC3A-Secondary/Primary	2.98%	\$217.24
SC3A-Sub Transmission	3.75%	\$273.38
SC3A-Transmission	14.31%	\$1,043.20
Streetlighting	0.02%	\$1.46
Total	100.00%	\$7,290.03

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	832,541,611	\$0.00000
SC1C	21,071,563	\$0.00000
SC2ND	47,999,821	\$0.00000
		\$/kW
SC2D	995,381	\$0.00
SC3-Secondary	792,000	\$0.00
SC3-Primary	329,513	\$0.00
SC3-Subtransmission/Transmission	132,682	\$0.00
SC3A-Secondary/Primary	172,169	\$0.00
SC3A-Sub Transmission	263,148	\$0.00
SC3A-Transmission	971,774	\$0.00
		\$/kWh
Streetlighting	17,196,197	\$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: \$ 0.85 /kW

Total of Alternative 2 VDER Projects' Net Injections at hour of NYISO Peak: 7,853 kW

Total Alternative 2 Capacity Market Value Cost to Recover: \$ 6,700.89

Cost Allocation

Service Class (with Voltage Delivery Level)	1CP Allocator	
SC1	40.99%	\$2,746.69
SC1C	0.81%	\$54.28
SC2ND	2.54%	\$170.20
SC2D	14.46%	\$968.95
SC3-Secondary	13.34%	\$893.90
SC3-Primary	5.15%	\$345.10
SC3-Subtransmission/Transmission	1.65%	\$110.56
SC3A-Secondary/Primary	2.98%	\$199.69
SC3A-Sub Transmission	3.75%	\$251.28
SC3A-Transmission	14.31%	\$958.90
Streetlighting	0.02%	\$1.34
Total	100.00%	\$6,700.89

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	832,541,611	\$0.00000
SC1C	21,071,563	\$0.00000
SC2ND	47,999,821	\$0.00000
		\$/kW
SC2D	995,381	\$0.00
SC3-Secondary	792,000	\$0.00
SC3-Primary	329,513	\$0.00
SC3-Subtransmission/Transmission	132,682	\$0.00
SC3A-Secondary/Primary	172,169	\$0.00
SC3A-Sub Transmission	263,148	\$0.00
SC3A-Transmission	971,774	\$0.00
		\$/kWh
Streetlighting	17,196,197	\$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: \$ 0.85 /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)	1CP Allocator	
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)	Forecast	\$/kWh
SC1	832,541,611	\$0.00000
SC1C	21,071,563	\$0.00000
SC2ND	47,999,821	\$0.00000
		\$/kW
SC2D	995,381	\$0.00
SC3-Secondary	792,000	\$0.00
SC3-Primary	329,513	\$0.00
SC3-Subtransmission/Transmission	132,682	\$0.00
SC3A-Secondary/Primary	172,169	\$0.00
SC3A-Sub Transmission	263,148	\$0.00
SC3A-Transmission	971,774	\$0.00
		\$/kWh
Streetlighting	17,196,197	\$0.00000

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

Capacity Out of Market Value Cost Recovery
Rule 40.3.2.2

VDER Value Stack Capacity Market Value (Rule 40.3.2.1): \$ 13,990.91

Total VDER Value Stack Capacity Component Paid to Projects: \$ 175,790.20

Total Capacity Out of Market Value Cost to Recover: \$ 161,799.29

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	42.51%	\$68,781.87
SC1C	0.01%	\$18.92
SC2ND	24.07%	\$38,938.13
SC2D	12.27%	\$19,845.71
SC3	20.29%	\$32,829.45
SC3A	0.00%	\$0.00
Streetlighting	0.86%	\$1,385.21
Total	100.00%	\$161,799.29

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	<u>\$/kWh</u>
SC1	832,541,611	\$0.00008
SC1C	21,071,563	\$0.00000
SC2ND	47,999,821	\$0.00081
		<u>\$/kW</u>
SC2D	995,381	\$0.02
SC3	1,254,195	\$0.03
SC3A	1,407,091	\$0.00
		<u>\$/kWh</u>
Streetlighting	17,196,197	\$0.00008

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Value Stack Cost Recovery Mechanisms
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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: 16,386,727 kWh

Total Environmental Market Value Cost to Recover: \$ 361,982.80

The Environmental Market Value costs will be recovered annually as part of the
Clean Energy Standard Supply charge annual reconconciliation 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): \$ 361,982.80

Total VDER Value Stack Environmental Component Paid to Projects: \$ 442,522.82

Total Environmental Out of Market Value Cost to Recover: **\$ 80,540.02**

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	44.70%	\$36,003.82
SC1C	0.01%	\$11.54
SC2ND	21.13%	\$17,015.93
SC2D	12.45%	\$10,028.05
SC3	20.65%	\$16,630.02
SC3A	0.00%	\$0.00
Streetlighting	1.06%	\$850.67
Total	100.00%	\$80,540.02

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	832,541,611	\$0.00004
SC1C	21,071,563	\$0.00000
SC2ND	47,999,821	\$0.00035
		\$/kW
SC2D	995,381	\$0.01
SC3	1,254,195	\$0.01
SC3A	1,407,091	\$0.00
		\$/kWh
Streetlighting	17,196,197	\$0.00005

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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: \$ 821,776.99

Secondary/Primary Cost Allocation

Service Class (with Voltage Delivery Level)	NCP Allocator	
SC1	56.65%	\$465,536.66
SC1C	1.18%	\$9,696.97
SC2ND	3.30%	\$27,118.64
SC2D	18.62%	\$153,014.88
SC3-Secondary	18.51%	\$152,110.92
SC3-Primary	0.00%	\$0.00
SC3-Subtransmission/Transmission	0.00%	\$0.00
SC3A-Secondary/Primary	0.74%	\$6,081.15
SC3A-Sub Transmission	0.00%	\$0.00
SC3A-Transmission	0.00%	\$0.00
Streetlighting	1.00%	\$8,217.77
Total	100.00%	\$821,776.99

Secondary/Primary Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	<u>\$/kWh</u>
SC1	832,541,611	\$0.00056
SC1C	21,071,563	\$0.00046
SC2ND	47,999,821	\$0.00056
		<u>\$/kW</u>
SC2D	995,381	\$0.15
SC3-Secondary	792,000	\$0.19
SC3-Primary	329,513	\$0.00
SC3-Subtransmission/Transmission	132,682	\$0.00
SC3A-Secondary/Primary	172,169	\$0.04
SC3A-Sub Transmission	263,148	\$0.00
SC3A-Transmission	971,774	\$0.00
		<u>\$/kWh</u>
Streetlighting	17,196,197	\$0.00048

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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: \$ 56,616.40

Subtransmission/Transmission Cost Allocation

Service Class (with Voltage Delivery Level)	1CP Allocator	
SC1	40.99%	\$23,207.06
SC1C	0.81%	\$458.59
SC2ND	2.54%	\$1,438.06
SC2D	14.46%	\$8,186.73
SC3-Secondary	13.34%	\$7,552.63
SC3-Primary	5.15%	\$2,915.74
SC3-Subtransmission/Transmission	1.65%	\$934.17
SC3A-Secondary/Primary	2.98%	\$1,687.17
SC3A-Sub Transmission	3.75%	\$2,123.12
SC3A-Transmission	14.31%	\$8,101.81
Streetlighting	0.02%	\$11.32
Total	100.00%	\$56,616.40

Subtransmission/Transmission Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	<u>\$/kWh</u>
SC1	832,541,611	\$0.00003
SC1C	21,071,563	\$0.00002
SC2ND	47,999,821	\$0.00003
		<u>\$/kW</u>
SC2D	995,381	\$0.01
SC3-Secondary	792,000	\$0.01
SC3-Primary	329,513	\$0.01
SC3-Subtransmission/Transmission	132,682	\$0.01
SC3A-Secondary/Primary	172,169	\$0.01
SC3A-Sub Transmission	263,148	\$0.01
SC3A-Transmission	971,774	\$0.01
		<u>\$/kWh</u>
Streetlighting	17,196,197	\$0.00000

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

LSRV Cost Recovery
Rule 40.3.2.6

Total VDER Value Stack LSRV Component Paid to **Secondary/Primary** Projects: \$ 1,758.21

Secondary/Primary Cost Allocation

Service Class (with Voltage Delivery Level)	NCP Allocator	
SC1	56.65%	\$996.03
SC1C	1.18%	\$20.75
SC2ND	3.30%	\$58.02
SC2D	18.62%	\$327.38
SC3-Secondary	18.51%	\$325.44
SC3-Primary	0.00%	\$0.00
SC3-Subtransmission/Transmission	0.00%	\$0.00
SC3A-Secondary/Primary	0.74%	\$13.01
SC3A-Sub Transmission	0.00%	\$0.00
SC3A-Transmission	0.00%	\$0.00
Streetlighting	1.00%	\$17.58
Total	100.00%	\$1,758.21

Secondary/Primary Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	<u>\$/kWh</u>
SC1	832,541,611	\$0.00000
SC1C	21,071,563	\$0.00000
SC2ND	47,999,821	\$0.00000
		<u>\$/kW</u>
SC2D	995,381	\$0.00
SC3-Secondary	792,000	\$0.00
SC3-Primary	329,513	\$0.00
SC3-Subtransmission/Transmission	132,682	\$0.00
SC3A-Secondary/Primary	172,169	\$0.00
SC3A-Sub Transmission	263,148	\$0.00
SC3A-Transmission	971,774	\$0.00
		<u>\$/kWh</u>
Streetlighting	17,196,197	\$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)	1CP Allocator	
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)	Forecast	\$/kWh
SC1	832,541,611	\$0.00000
SC1C	21,071,563	\$0.00000
SC2ND	47,999,821	\$0.00000
		\$/kW
SC2D	995,381	\$0.00
SC3-Secondary	792,000	\$0.00
SC3-Primary	329,513	\$0.00
SC3-Subtransmission/Transmission	132,682	\$0.00
SC3A-Secondary/Primary	172,169	\$0.00
SC3A-Sub Transmission	263,148	\$0.00
SC3A-Transmission	971,774	\$0.00
		\$/kWh
Streetlighting	17,196,197	\$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: \$ 48,785.76

Cost Allocation

Service Class (with Voltage Delivery Level)	<u>Allocator</u>	
SC1	94.63%	\$46,165.05
SC1C	0.00%	\$0.00
SC2ND	5.37%	\$2,620.71
Total	100.00%	\$48,785.76

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	832,541,611	\$0.00006
SC1C	21,071,563	\$0.00000
SC2ND	47,999,821	\$0.00005

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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: \$ 253,066.35

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	50.99%	\$129,049.93
SC1C	0.00%	\$0.00
SC2ND	5.09%	\$12,873.46
SC2D	16.48%	\$41,715.85
SC3-Secondary	14.92%	\$37,746.23
SC3-Primary	12.03%	\$30,442.34
SC3-Subtransmission/Transmission	0.49%	\$1,238.54
SC3A-Secondary/Primary	0.00%	\$0.00
SC3A-Sub Transmission	0.00%	\$0.00
SC3A-Transmission	0.00%	\$0.00
Total	100.00%	\$253,066.35

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	832,541,611	\$0.00016
SC1C	21,071,563	\$0.00000
SC2ND	47,999,821	\$0.00027
		\$/kW
SC2D	995,381	\$0.04
SC3-Secondary	792,000	\$0.05
SC3-Primary	329,513	\$0.09
SC3-Subtransmission/Transmission	132,682	\$0.01
SC3A-Secondary/Primary	172,169	\$0.00
SC3A-Sub Transmission	263,148	\$0.00
SC3A-Transmission	971,774	\$0.00