

P.S.C. 220 ELECTRICITY
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: DECEMBER 30, 2020

STATEMENT TYPE: VDER-CR
 WORKPAPERS FOR STATEMENT NO. 39
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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: 9,136 kW

Total Alternative 1 Capacity Market Value Cost to Recover: \$ 12,775.17

Cost Allocation

Service Class (with Voltage Delivery Level)	1CP Allocator	
SC1	40.99%	\$5,236.54
SC1C	0.81%	\$103.48
SC2ND	2.54%	\$324.49
SC2D	14.46%	\$1,847.29
SC3-Secondary	13.34%	\$1,704.21
SC3-Primary	5.15%	\$657.92
SC3-Subtransmission/Transmission	1.65%	\$210.79
SC3A-Secondary/Primary	2.98%	\$380.70
SC3A-Sub Transmission	3.75%	\$479.07
SC3A-Transmission	14.31%	\$1,828.13
Streetlighting	0.02%	\$2.56
Total	100.00%	\$12,775.17

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	1,134,774,712	\$0.00000
SC1C	28,720,058	\$0.00000
SC2ND	54,751,723	\$0.00001
		\$/kW
SC2D	1,134,384	\$0.00
SC3-Secondary	884,192	\$0.00
SC3-Primary	364,630	\$0.00
SC3-Subtransmission/Transmission	144,800	\$0.00
SC3A-Secondary/Primary	178,511	\$0.00
SC3A-Sub Transmission	273,458	\$0.00
SC3A-Transmission	993,170	\$0.00
		\$/kWh
Streetlighting	18,034,299	\$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: 7,644 kW

Total Alternative 2 Capacity Market Value Cost to Recover: \$ 10,689.00

Cost Allocation

Service Class (with Voltage Delivery Level)	1CP Allocator	
SC1	40.99%	\$4,381.42
SC1C	0.81%	\$86.58
SC2ND	2.54%	\$271.50
SC2D	14.46%	\$1,545.63
SC3-Secondary	13.34%	\$1,425.91
SC3-Primary	5.15%	\$550.48
SC3-Subtransmission/Transmission	1.65%	\$176.37
SC3A-Secondary/Primary	2.98%	\$318.53
SC3A-Sub Transmission	3.75%	\$400.84
SC3A-Transmission	14.31%	\$1,529.60
Streetlighting	0.02%	\$2.14
Total	100.00%	\$10,689.00

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	1,134,774,712	\$0.00000
SC1C	28,720,058	\$0.00000
SC2ND	54,751,723	\$0.00000
		\$/kW
SC2D	1,134,384	\$0.00
SC3-Secondary	884,192	\$0.00
SC3-Primary	364,630	\$0.00
SC3-Subtransmission/Transmission	144,800	\$0.00
SC3A-Secondary/Primary	178,511	\$0.00
SC3A-Sub Transmission	273,458	\$0.00
SC3A-Transmission	993,170	\$0.00
		\$/kWh
Streetlighting	18,034,299	\$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)	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	1,134,774,712	\$0.00000
SC1C	28,720,058	\$0.00000
SC2ND	54,751,723	\$0.00000
		\$/kW
SC2D	1,134,384	\$0.00
SC3-Secondary	884,192	\$0.00
SC3-Primary	364,630	\$0.00
SC3-Subtransmission/Transmission	144,800	\$0.00
SC3A-Secondary/Primary	178,511	\$0.00
SC3A-Sub Transmission	273,458	\$0.00
SC3A-Transmission	993,170	\$0.00
		\$/kWh
Streetlighting	18,034,299	\$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): \$ 23,464.17

Total VDER Value Stack Capacity Component Paid to Projects: \$ 25,664.43

Total Capacity Out of Market Value Cost to Recover: \$ 2,200.26

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	51.56%	\$1,134.46
SC1C	-0.02%	-\$0.36
SC2ND	10.16%	\$223.58
SC2D	11.67%	\$256.80
SC3	21.62%	\$475.59
SC3A	0.00%	\$0.00
Streetlighting	5.01%	\$110.19
Total	100.00%	\$2,200.26

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	1,134,774,712	\$0.00000
SC1C	28,720,058	\$0.00000
SC2ND	54,751,723	\$0.00000
		\$/kW
SC2D	1,134,384	\$0.00
SC3	1,393,622	\$0.00
SC3A	1,445,139	\$0.00
		\$/kWh
Streetlighting	18,034,299	\$0.00001

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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: 9,187,864 kWh

Total Environmental Market Value Cost to Recover: \$ 202,959.92

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): \$ 202,959.92

Total VDER Value Stack Environmental Component Paid to Projects: \$ 243,076.09

Total Environmental Out of Market Value Cost to Recover: **\$ 40,116.17**

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	47.59%	\$19,090.33
SC1C	-0.04%	-\$15.43
SC2ND	4.57%	\$1,834.89
SC2D	17.74%	\$7,118.34
SC3	25.65%	\$10,290.61
SC3A	1.67%	\$668.94
Streetlighting	2.81%	\$1,128.50
Total	100.00%	\$40,116.17

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	1,134,774,712	\$0.00002
SC1C	28,720,058	\$0.00000
SC2ND	54,751,723	\$0.00003
		\$/kW
SC2D	1,134,384	\$0.01
SC3	1,393,622	\$0.01
SC3A	1,445,139	\$0.00
		\$/kWh
Streetlighting	18,034,299	\$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: \$ 13,249.58

Secondary/Primary Cost Allocation

Service Class (with Voltage Delivery Level)	NCP Allocator	
SC1	56.65%	\$7,505.89
SC1C	1.18%	\$156.35
SC2ND	3.30%	\$437.24
SC2D	18.62%	\$2,467.07
SC3-Secondary	18.51%	\$2,452.50
SC3-Primary	0.00%	\$0.00
SC3-Subtransmission/Transmission	0.00%	\$0.00
SC3A-Secondary/Primary	0.74%	\$98.05
SC3A-Sub Transmission	0.00%	\$0.00
SC3A-Transmission	0.00%	\$0.00
Streetlighting	1.00%	\$132.50
Total	100.00%	\$13,249.58

Secondary/Primary Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	<u>\$/kWh</u>
SC1	1,134,774,712	\$0.00001
SC1C	28,720,058	\$0.00001
SC2ND	54,751,723	\$0.00001
		<u>\$/kW</u>
SC2D	1,134,384	\$0.00
SC3-Secondary	884,192	\$0.00
SC3-Primary	364,630	\$0.00
SC3-Subtransmission/Transmission	144,800	\$0.00
SC3A-Secondary/Primary	178,511	\$0.00
SC3A-Sub Transmission	273,458	\$0.00
SC3A-Transmission	993,170	\$0.00
		<u>\$/kWh</u>
Streetlighting	18,034,299	\$0.00001

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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)	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	1,134,774,712	\$0.00000
SC1C	28,720,058	\$0.00000
SC2ND	54,751,723	\$0.00000
		\$/kW
SC2D	1,134,384	\$0.00
SC3-Secondary	884,192	\$0.00
SC3-Primary	364,630	\$0.00
SC3-Subtransmission/Transmission	144,800	\$0.00
SC3A-Secondary/Primary	178,511	\$0.00
SC3A-Sub Transmission	273,458	\$0.00
SC3A-Transmission	993,170	\$0.00
		\$/kWh
Streetlighting	18,034,299	\$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: \$ 1,756.42

Secondary/Primary Cost Allocation

Service Class (with Voltage Delivery Level)	NCP Allocator	
SC1	56.65%	\$995.01
SC1C	1.18%	\$20.73
SC2ND	3.30%	\$57.96
SC2D	18.62%	\$327.05
SC3-Secondary	18.51%	\$325.11
SC3-Primary	0.00%	\$0.00
SC3-Subtransmission/Transmission	0.00%	\$0.00
SC3A-Secondary/Primary	0.74%	\$13.00
SC3A-Sub Transmission	0.00%	\$0.00
SC3A-Transmission	0.00%	\$0.00
Streetlighting	1.00%	\$17.56
Total	100.00%	\$1,756.42

Secondary/Primary Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	1,134,774,712	\$0.00000
SC1C	28,720,058	\$0.00000
SC2ND	54,751,723	\$0.00000
		\$/kW
SC2D	1,134,384	\$0.00
SC3-Secondary	884,192	\$0.00
SC3-Primary	364,630	\$0.00
SC3-Subtransmission/Transmission	144,800	\$0.00
SC3A-Secondary/Primary	178,511	\$0.00
SC3A-Sub Transmission	273,458	\$0.00
SC3A-Transmission	993,170	\$0.00
		\$/kWh
Streetlighting	18,034,299	\$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 **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	1,134,774,712	\$0.00000
SC1C	28,720,058	\$0.00000
SC2ND	54,751,723	\$0.00000
		\$/kW
SC2D	1,134,384	\$0.00
SC3-Secondary	884,192	\$0.00
SC3-Primary	364,630	\$0.00
SC3-Subtransmission/Transmission	144,800	\$0.00
SC3A-Secondary/Primary	178,511	\$0.00
SC3A-Sub Transmission	273,458	\$0.00
SC3A-Transmission	993,170	\$0.00
		\$/kWh
Streetlighting	18,034,299	\$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: \$ 39,296.44

Cost Allocation

Service Class (with Voltage Delivery Level)	<u>Allocator</u>	
SC1	94.28%	\$37,046.86
SC1C	0.00%	\$0.00
SC2ND	5.72%	\$2,249.58
Total	100.00%	\$39,296.44

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	1,134,774,712	\$0.00003
SC1C	28,720,058	\$0.00000
SC2ND	54,751,723	\$0.00004

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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: \$ 147,478.90

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	47.56%	\$70,138.79
SC1C	0.00%	\$0.00
SC2ND	3.66%	\$5,399.80
SC2D	17.66%	\$26,051.99
SC3-Secondary	13.06%	\$19,256.91
SC3-Primary	15.34%	\$22,616.11
SC3-Subtransmission/Transmission	0.47%	\$688.07
SC3A-Secondary/Primary	0.00%	\$0.00
SC3A-Sub Transmission	2.26%	\$3,327.23
SC3A-Transmission	0.00%	\$0.00
Total	100.00%	\$147,478.90

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	1,134,774,712	\$0.00006
SC1C	28,720,058	\$0.00000
SC2ND	54,751,723	\$0.00010
		\$/kW
SC2D	1,134,384	\$0.02
SC3-Secondary	884,192	\$0.02
SC3-Primary	364,630	\$0.06
SC3-Subtransmission/Transmission	144,800	\$0.00
SC3A-Secondary/Primary	178,511	\$0.00
SC3A-Sub Transmission	273,458	\$0.01
SC3A-Transmission	993,170	\$0.00