

P.S.C. 220 ELECTRICITY
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: AUGUST 30, 2019

STATEMENT TYPE: VDER-CR
 WORKPAPER FOR STATEMENT NO. 23
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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: \$ 1.81 /kW

Total of Alternative 1 VDER Projects' Net Injections at hour of NYISO Peak: 593 kW

Total Alternative 1 Capacity Market Value Cost to Recover: \$ 1,075.67

Cost Allocation

Service Class (with Voltage Delivery Level)	1CP Allocator	
SC1	40.99%	\$440.92
SC1C	0.81%	\$8.71
SC2ND	2.54%	\$27.32
SC2D	14.46%	\$155.54
SC3-Secondary	13.34%	\$143.49
SC3-Primary	5.15%	\$55.40
SC3-Subtransmission/Transmission	1.65%	\$17.75
SC3A-Secondary/Primary	2.98%	\$32.05
SC3A-Sub Transmission	3.75%	\$40.34
SC3A-Transmission	14.31%	\$153.93
Streetlighting	0.02%	\$0.22
Total	100.00%	\$1,075.67

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00000
		\$/kW
SC2D	1,242,935	\$0.00
SC3-Secondary	1,131,370	\$0.00
SC3-Primary	393,597	\$0.00
SC3-Subtransmission/Transmission	154,834	\$0.00
SC3A-Secondary/Primary	246,730	\$0.00
SC3A-Sub Transmission	328,534	\$0.00
SC3A-Transmission	1,234,234	\$0.00
		\$/kWh
Streetlighting	16,089,560	\$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: \$ 1.81 /kW

Total of Alternative 2 VDER Projects' Net Injections at hour of NYISO Peak: - kW

Total Alternative 2 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	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00000
		\$/kW
SC2D	1,242,935	\$0.00
SC3-Secondary	1,131,370	\$0.00
SC3-Primary	393,597	\$0.00
SC3-Subtransmission/Transmission	154,834	\$0.00
SC3A-Secondary/Primary	246,730	\$0.00
SC3A-Sub Transmission	328,534	\$0.00
SC3A-Transmission	1,234,234	\$0.00
		\$/kWh
Streetlighting	16,089,560	\$0.00000

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Value Stack Cost Recovery Mechanisms
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Capacity Market Value Cost Recovery - ALTERNATIVE 3
Rule 40.3.2.1

Average Monthly NYISO Spot Auction Capacity Price: \$ 1.81 /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	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00000
		<u>\$/kW</u>
SC2D	1,242,935	\$0.00
SC3-Secondary	1,131,370	\$0.00
SC3-Primary	393,597	\$0.00
SC3-Subtransmission/Transmission	154,834	\$0.00
SC3A-Secondary/Primary	246,730	\$0.00
SC3A-Sub Transmission	328,534	\$0.00
SC3A-Transmission	1,234,234	\$0.00
		<u>\$/kWh</u>
Streetlighting	16,089,560	\$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): \$ 1,075.67

Total VDER Value Stack Capacity Component Paid to Projects: \$ 4,852.60

Total Capacity Out of Market Value Cost to Recover: \$ 3,776.93

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	0.00%	\$0.00
SC1C	0.00%	\$0.00
SC2ND	75.00%	\$2,832.57
SC2D	9.75%	\$368.17
SC3	15.26%	\$576.20
SC3A	0.00%	\$0.00
Total	100.00%	\$3,776.93

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00005
		<u>\$/kW</u>
SC2D	1,242,935	\$0.00
SC3	1,679,801	\$0.00
SC3A	1,809,498	\$0.00

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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: \$ 0.02243 /kWh

Total of VDER Projects' Net Injections during recovery month: 902,653 kWh

Total Environmental Market Value Cost to Recover: \$ 20,246.51

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): \$ 20,246.51

Total VDER Value Stack Environmental Component Paid to Projects: \$ 23,900.16

Total Environmental Out of Market Value Cost to Recover: **\$ 3,653.65**

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	0.00%	\$0.00
SC1C	0.00%	\$0.00
SC2ND	73.57%	\$2,688.05
SC2D	8.51%	\$310.97
SC3	17.92%	\$654.64
SC3A	0.00%	\$0.00
Total	100.00%	\$3,653.65

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00005
		\$/kW
SC2D	1,242,935	\$0.00
SC3	1,679,801	\$0.00
SC3A	1,809,498	\$0.00

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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: \$ 3,189.80

Secondary/Primary Cost Allocation

Service Class (with Voltage Delivery Level)	NCP Allocator	
SC1	56.65%	\$1,807.02
SC1C	1.18%	\$37.64
SC2ND	3.30%	\$105.26
SC2D	18.62%	\$593.94
SC3-Secondary	18.51%	\$590.43
SC3-Primary	0.00%	\$0.00
SC3-Subtransmission/Transmission	0.00%	\$0.00
SC3A-Secondary/Primary	0.74%	\$23.60
SC3A-Sub Transmission	0.00%	\$0.00
SC3A-Transmission	0.00%	\$0.00
Streetlighting	1.00%	\$31.90
Total	100.00%	\$3,189.80

Secondary/Primary Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	<u>\$/kWh</u>
SC1	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00000
		<u>\$/kW</u>
SC2D	1,242,935	\$0.00
SC3-Secondary	1,131,370	\$0.00
SC3-Primary	393,597	\$0.00
SC3-Subtransmission/Transmission	154,834	\$0.00
SC3A-Secondary/Primary	246,730	\$0.00
SC3A-Sub Transmission	328,534	\$0.00
SC3A-Transmission	1,234,234	\$0.00
		<u>\$/kWh</u>
Streetlighting	16,089,560	\$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)	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	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00000
		\$/kW
SC2D	1,242,935	\$0.00
SC3-Secondary	1,131,370	\$0.00
SC3-Primary	393,597	\$0.00
SC3-Subtransmission/Transmission	154,834	\$0.00
SC3A-Secondary/Primary	246,730	\$0.00
SC3A-Sub Transmission	328,534	\$0.00
SC3A-Transmission	1,234,234	\$0.00
		\$/kWh
Streetlighting	16,089,560	\$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: \$ 511.09

Secondary/Primary Cost Allocation

Service Class (with Voltage Delivery Level)	NCP Allocator	
SC1	56.65%	\$289.53
SC1C	1.18%	\$6.03
SC2ND	3.30%	\$16.87
SC2D	18.62%	\$95.16
SC3-Secondary	18.51%	\$94.60
SC3-Primary	0.00%	\$0.00
SC3-Subtransmission/Transmission	0.00%	\$0.00
SC3A-Secondary/Primary	0.74%	\$3.78
SC3A-Sub Transmission	0.00%	\$0.00
SC3A-Transmission	0.00%	\$0.00
Streetlighting	1.00%	\$5.11
Total	100.00%	\$511.09

Secondary/Primary Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00000
		\$/kW
SC2D	1,242,935	\$0.00
SC3-Secondary	1,131,370	\$0.00
SC3-Primary	393,597	\$0.00
SC3-Subtransmission/Transmission	154,834	\$0.00
SC3A-Secondary/Primary	246,730	\$0.00
SC3A-Sub Transmission	328,534	\$0.00
SC3A-Transmission	1,234,234	\$0.00
		\$/kWh
Streetlighting	16,089,560	\$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	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00000
		\$/kW
SC2D	1,242,935	\$0.00
SC3-Secondary	1,131,370	\$0.00
SC3-Primary	393,597	\$0.00
SC3-Subtransmission/Transmission	154,834	\$0.00
SC3A-Secondary/Primary	246,730	\$0.00
SC3A-Sub Transmission	328,534	\$0.00
SC3A-Transmission	1,234,234	\$0.00
		\$/kWh
Streetlighting	16,089,560	\$0.00000

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Value Stack Cost Recovery Mechanisms
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MTC Cost Recovery
Rule 40.3.2.7

Total VDER Value Stack MTC Component Paid to Projects: \$ 17,052.83

Cost Allocation

Service Class (with Voltage Delivery Level)	<u>Allocator</u>	
SC1	0.00%	\$0.00
SC1C	0.00%	\$0.00
SC2ND	100.00%	\$17,052.83
Total	100.00%	\$17,052.83

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	<u>Forecast</u>	<u>\$/kWh</u>
SC1	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00031

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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: \$ 607.95

Cost Allocation

Service Class (with Voltage Delivery Level)	Allocator	
SC1	0.00%	\$0.00
SC1C	0.00%	\$0.00
SC2ND	100.00%	\$607.95
Total	100.00%	\$607.95

Rate Design by Forecast

Service Class (with Voltage Delivery Level)	Forecast	\$/kWh
SC1	911,718,692	\$0.00000
SC1C	25,336,176	\$0.00000
SC2ND	55,869,427	\$0.00001