

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: MARCH 31, 2022

LEAF: 151.5
REVISION: 0
SUPERSEDING REVISION:

STAMPS: Issued in Compliance with Order in Case 19-E-0735, issued January 20, 2022.

GENERAL INFORMATION

COMMUNITY DISTRIBUTED GENERATION ("CDG") (Continued)

29.5.3 E-SFA Customer Credits

29.5.3.1 On an annual basis, or as further specified in 29.5.3.3, the Company will determine the monthly fixed dollar amount that will be credited to participating E-SFA Program customers' retail electric charges for the upcoming program year ("E-SFA Customer Credit"). The Company will forecast the dollar amount to be used to establish the E-SFA Customer Credit for the upcoming program year ("Credit Pool") as the share of the forecasted Value Stack compensation of the aggregated participating E-SFA CDG Projects for the upcoming program year that will be allocated to the E-SFA Program Customers less the Utility Administrative Fee as specified in 29.5.5 ("Forecasted Customer Share"), plus any previous year's reconciliation balance, as specified in 29.5.3.2. The Credit Pool may also include a buffer amount, at the Company's discretion, to limit overcompensation, as necessary. The buffer may reduce the Forecasted Customer Share for the upcoming program year by no more than 10%, or such lesser amount as determined by the Company. In addition, the Credit Pool may include excess credits from NYSERDA's Solar For All program if such credits are made available to the E-SFA Program by NYSERDA.

The monthly E-SFA Customer Credit will be determined as:

$$\text{E-SFA Customer Credit} = \text{Credit Pool} / (\text{number of E-SFA Customers enrolled at end of previous program year} * \text{number of billing months in the program year})$$

The E-SFA Customer Credit will be applied to the electric portion of customers' bills, after the application of any other applicable customer bill credits are applied. If the E-SFA Customer Credit causes the customer's monthly bill to be less than zero, the amount less than zero caused by the E-SFA Customer Credit will be banked to the customer's account and applied to future bills. If a customer opts-out during a program year, the customer will receive a final credit during the current month of the opt-out and will not receive further credits.

29.5.3.2 Following the first year of the program, the E-SFA Credit for subsequent years will include a reconciliation balance of the previous year's compensation, credits, and payments. The reconciliation balance will be determined as i) the actual Value Stack compensation associated with the E-SFA CDG Projects during the previous program year as specified in Rule 40, minus ii) the actual E-SFA Customer Credits provided during the previous program year, as specified in 29.5.3.1, minus iii) the actual E-SFA CDG Project Payments provided during the previous program year, as specified in 29.5.4, minus iv) the actual Utility Administrative Fee determined for the previous program year as specified in 29.5.5. The annual reconciliations will include carrying charges based on the Company's pre-tax WACC and will be added to the Credit Pool used to determine the E-SFA Credit in the following program year as specified in 29.5.3.1.