

PSC NO: 220 ELECTRICITY

LEAF: 218

NIAGARA MOHAWK POWER CORPORATION

REVISION: 9

INITIAL EFFECTIVE DATE: NOVEMBER 25, 2019

SUPERSEDING REVISION: 8

STAMPS: Issued in Compliance with Order in Case 15-E-0751 and 15-E-0082 issued March 9, 2017.

GENERAL INFORMATION

40. VALUE OF DISTRIBUTION ENERGY RESOURCES (VDER)

The VDER Phase One tariffs are comprised of two components: Phase One net energy metering (NEM) and the Value Stack tariff.

40.1 Phase One NEM

40.1.1 New mass market on-site projects (as defined in Rule 36.1.9) with eligible generating equipment under PSL Section 66-j interconnected before January 1, 2020 will be compensated under Phase One NEM. Newly Eligible Technologies, as defined in Rule No. 29, will not be eligible for compensation under Rule 40.1 – Phase One NEM.

40.1.1.1 Projects eligible under Rule 40.1.1 placed in service after January 1, 2020 will receive compensation under Rule 40.1 until such time as a new compensation methodology for these types of projects is directed by Commission order. Projects eligible under Rule 40.1.1 placed in service on or after such Commission order's effective date will begin to receive compensation under the new methodology and cease to be compensated under Rule 40.1.

40.1.2 New mass market on-site projects (defined as those Customer-Generators served under a residential or small commercial service class that are not billed for demand) with eligible generating equipment under PSL Section 66-l that are not used to offset consumption at any other site and are interconnected after the 0.3% cap (as defined in Rule 37.3) is reached and before January 1, 2020 will be compensated under Phase One NEM.

40.1.2.1 Projects eligible under Rule 40.1.2 placed in service after January 1, 2020 will receive compensation under Rule 40.1 until such time as a new compensation methodology for these types of projects is directed by Commission order. Projects eligible under Rule 40.1.2 placed in service on or after such Commission order's effective date will begin to receive compensation under the new methodology and cease to be compensated under Rule 40.1.

40.1.3 Projects with eligible generating equipment under PSL Section 66-j that have not met the deadlines established in Rule 36.1.8 will be compensated under Phase One NEM.

40.1.3.1 Projects, excluding RNM and CDG projects, with a rated capacity of 750 kW AC or lower that are: i) at the same location and behind the same meter as the electric customer whose usage they are designed to off-set, and ii) have an estimated annual output less than or equal to 110% of the customer's historical annual usage in kWh, will be eligible for compensation under Phase One NEM, for a twenty (20) year term from the project's in-service date.