

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: June 1, 2019
Issued in compliance with Order in Case No. 15-E-0751, dated April 18, 2019.

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Revision: 0
Superseding Revision:

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER"): (Cont'd)

B. Value Stack:

6. The Value Stack Components: (Cont'd)

6. Alternatives for Capacity Compensation (Cont'd)

b. Alternative Two:

- i. For a customer that has met the eligibility requirements of Rule 40.B.1. and 40.B.2. above prior to July 27, 2018, the capacity credit shall use the capacity costs calculated under Alternative One, however, the costs used to develop the credit are concentrated over the 460 peak summer hours: hours 14:00 through 18:00 each day in June, July and August. The resulting rate per kWh will be multiplied by the net export generation of the project in those 460 hours. The credit is assumed to be zero in the hours and months not identified herein. A customer-generator must elect Alternative 2 by May 1st to be eligible to receive Value Stack Capacity Component via this alternative beginning June 1st of that summer. A customer-generator electing Alternative 2 after May 1st will remain on Alternative One until April 30th of the following calendar year.
- ii. A customer meeting the eligibility requirements of Rule 40.B.1. and 40.B.2. on or after July 27, 2018, the capacity credit shall be the sum of the 12 monthly NYISO \$/kW-month auction price adjusted for the NYISO UCAP Effective Percentage and the NYISO Demand Curve Adder percentage for the months that make up the previous NYISO Capacity Year (May through April) divided by the number of hours between Hour Beginning 2:00 PM and Hour Beginning 6:00 PM inclusively on non-holiday weekdays from June 24 to August 31. That number of hours will be either 240 or 245 depending on the year. The resulting credit per kwh will be multiplied by the net energy exported adjusted for the appropriate energy losses for the customer's service class during the hours between Hour Beginning 2:00 PM and Hour Beginning 6:00 PM inclusively on non-holiday weekdays from June 24 to August 31.
- c. Alternative Three: shall be equivalent to the customer-generator's service classification capacity cost and shall be calculated by multiplying the customer-generator's net energy export during the New York Control Area peak of the previous calendar year by the customer's capacity component based on their Facility's net export generation.

7. The Capacity Component shall be set forth on the VDER-Cred Statement.