

PSC No: 120 - Electricity

Leaf No. 117.52

New York State Electric & Gas Corporation

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Issued in compliance with Order in Case 18-E-0130, dated December 13, 2018.

GENERAL INFORMATION**44. Energy Storage Deployment Cost Recovery**

- A. The Company shall collect costs related to the contracts for procuring qualified energy storage assets in accordance with the Company's Implementation Plan filed with the Public Service Commission in Case 18-E-0130 ("Energy Storage Costs"), over the term of the energy storage procurement contract.
- B. Any payments or credits received by the Company realized from the contracts for the energy storage assets shall reduce the Energy Storage Costs; however, if the net annual wholesale market revenues exceed annual costs, the excess revenues shall be shared on a 70/30 basis between delivery customers and shareholders.
 - i. Annual wholesale market revenues (avoided wholesale electric market costs or direct revenue from the NYISO) ("ES Revenues") from the energy storage asset, that are greater than the ES Costs on an annual basis will be "Annual Net ES Revenues."
- C. Costs shall be collected from all customers taking electric delivery service and allocated to service classifications using the transmission demand allocator. Recovery shall be on a per kWh basis for non-demand customers; on a per kW basis for demand-billed customers; and on a per As-Used basis for Standby customers.
- D. The Company shall collect the costs for the energy storage asset through the Transition Charge. A statement setting forth the energy storage cost recovery rates shall be filed with the Commission on not less than 30 days' notice. Such statement may be found at the end of this Schedule.