

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: December 1, 2018
Issued in compliance with Order in Case Nos. 15-E-0751 and 15-E-0082, dated September 12, 2018.

Leaf No. 117.46.26.2
Revision: 4
Superseding Revision: 3

GENERAL INFORMATION

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

B. Value Stack:

1. Eligibility:

- a. i. Any customer, residential or non-residential, who owns or operates electric generating equipment ("Facility"), as defined in Public Service Law ("PSL") §66-j or PSL§66-l, limited in size as set forth in the table below:

Generator Type	Size Limit on System	
	Residential	Non-Residential
Solar	Up to 5 MW	
Micro-hydroelectric	Up to 5 MW	
Fuel Cell	Up to 5 MW	
Micro-CHP	10 kW	N/A
Farm Waste	Up to 5 MW	
Wind	Up to 5 MW	
Farm Wind	Up to 5 MW	

- ii. A customer may install stand-alone energy storage equipment or pair with a Facility when submitting an application for net metering pursuant to this Rule.
- iii. Technologies eligible for the Clean Energy Standard Tier 1 ("CES Tier 1"), as listed in Appendix A of the Commission's Order Adopting A Clean Energy Standard, issued on August 1, 2016 in Case 15-E-0302, including projects utilizing the same technology as defined for CES Tier 1 that were installed and operational by January 1, 2015, up to 5 MW in size, are eligible for compensation under this Rule as provided herein.
- iv. To comply with the 5 MW generation capacity limit, each generator (and energy storage equipment, if applicable) of not more than 5 MW shall be:
 - a. Separately metered and interconnected to the Company's distribution system;
 - b. Located on a separate parcel; and
 - c. Independently operated from any other project.
- b. A customer taking service pursuant to Rule Nos. 22, 23, 26, 27, 29, 30, 31, 37, or Rule 40.A, Phase One NEM may opt to take service under this Rule. Such election shall be a one-time election and shall be irrevocable.
 - i. An existing customer with a Facility that is sized less than 2 MW may have the capability, based on existing design and location, to increase the capacity of the Facility up to 5 MW. If an existing customer chooses to increase the size of its Facility, the Facility shall receive compensation pursuant to the Value Stack for the entire project.
 - ii. An existing customer taking service pursuant to Rule 37, Community Distributed Generation, that chooses to increase the capacity of their Facility greater than 2 MW, up to 5 MW, may be assigned to a new Tranche as described in Rule 40.B.6.vi.
- c. A customer with an existing generator sized between 2 MW and 5 MW, that otherwise meets the eligibility requirements pursuant to PSL §66-j or PSL§66-l and herein, taking service pursuant to Service Classification No. 10; or receives compensation through bilateral contracts or the NYISO; may make a one-time irrevocable election to opt to take service pursuant to their otherwise applicable Service Classification and receive compensation for excess generation pursuant to this Rule, 40.B Value Stack.
- d. A customer with a generator that otherwise meets the eligibility requirements above in 1.a., and taking service pursuant to Service Classification No. 10, Buy Back Service, or Service Classification No. 11, Standby; may opt to receive compensation for net hourly injections pursuant to this Rule, 40.B. Value Stack To the extent the customer is not being compensated for such net hourly injections through the wholesale market.
- e. Expansion or Consolidation Projects Under Development
Interconnection applications for new projects sized between 2 MW and 5 MW, proposals to increase the capacity of existing projects, and proposals to increase the capacity of projects currently in the interconnection queue may be submitted to the Company. If Tranche limits are exceeded, Projects currently in the interconnection queue may not be consolidated until further consideration and action on proposed SIR changes has been taken by the Commission.
- f. A customer taking service pursuant to this Rule shall be required to install metering equipment capable of recording hourly net consumption and net injections.
- g. A DER Provider shall comply with the requirements set forth in the UBP-DER Addendum.

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Binghamton, New York