



Lori A. Cole
Manager - Regulatory & Tariffs

November 14, 2018

VIA ELECTRONIC FILING

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Case 15-E-0751 – In the Matter of the Value of Distributed Energy Resources.

Case 15-E-0082 – Proceeding on Motion of the Commission as to the Policies,
Requirements and Conditions For Implementing a Community Net Metering
Program.

Dear Secretary Burgess:

The enclosed tariff leaves, issued by New York State Electric & Gas Corporation (“NYSEG”) and Rochester Gas and Electric Corporation (“RG&E”), (together the “Companies”), are transmitted for filing in compliance with the New York State Public Service Commission’s (the “Commission”) Order on Value Stack Eligibility Expansion and Other Matters, issued and effective on September 12, 2018 (the “Order”), in the above referenced proceedings¹. The tariff leaves listed below will become effective on December 1, 2018.

P.S.C. No. 120 – Electric, Schedule for Electric Service

Leaf No. 117.46.20, Revision 5
Leaf No. 117.46.21, Revision 8
Leaf No. 117.46.26.2, Revision 4
Leaf No. 117.46.26.3, Revision 3
Leaf No. 117.46.26.4, Revision 4
Leaf No. 117.46.26.4.1, Revision 1
Leaf No. 117.46.26.6, Revision 1
Leaf No. 281, Revision 1
Leaf No. 294.16, Revision 2

¹ The utilities filed a request for an extension on October 25, 2018 requesting an extension to submit the tariff compliance filing by November 14, 2018.

P.S.C. No. 19 - Electric, Schedule for Electric Service

Leaf No. 160.39.15, Revision 6
Leaf No. 160.39.16, Revision 6
Leaf No. 160.39.21.1.1, Revision 1
Leaf No. 160.39.21.2, Revision 2
Leaf No. 160.39.21.3, Revision 3
Leaf No. 160.39.21.4, Revision 6
Leaf No. 160.39.21.4.1, Revision 1
Leaf No. 160.39.21.6, Revision 2
Leaf No. 185, Revision 1
Leaf No. 254, Revision 2

Purpose of Filing

The Companies are filing amendments to the tariffs in compliance with Ordering Clause No. 1 of the Order to expand Value of Distributed Energy Resources eligibility and to allow interzonal crediting for certain projects compensated based on the Value Stack.

Overview

The Order expanded eligibility for Value Stack compensation by removing customer-type technology limitations (except for Micro-combined Heat and Power “CHP” generation), and authorizes additional technologies. Any customer can install a generator that is identified in Public Service Law 66-j or Public Service Law 66-l up to 5 MW in size, except for CHP².

Additionally, the Order authorizes additional technologies eligible for Value Stack compensation to include clean generation technology that satisfies the requirements of the Clean Energy Standard Tier 1, as identified in Appendix A of the Commission’s Order Adopting a Clean Energy Standard, issued on August 1, 2016, in Case 15-E-0302 (“CES Tier 1 Resources”) and stand-alone storage.

The tariffs establish specific rules for Value Stack compensation applicable to the newly expanded technologies. For example, the expanded technologies are not eligible for the Market Transition Credit (“MTC”); and the Capacity Value will be calculated based on Alternative Three. Technologies described as a CES Tier 1 Resource that were installed prior to January 1, 2015, are not eligible for the Environmental Component. A customer with stand-alone storage that is sized not to exceed 115% of their peak consumption load, and takes supply service from the Company, that opts to participate in the Value Stack will be charged based on the Hourly Pricing rate³. The electricity supply charge for a customer with stand-alone storage that takes supply service with an ESCO that opts to participate in the Value Stack will be equal to the sum of the hourly metered usage multiplied by the NYISO Day-Ahead Market price.

² Limitations for CHP continue to remain in place.

³ A customer with stand-alone storage that is sized not to exceed 115% of their peak consumption will have the option to select Hourly Pricing if taking supply service with the Company.

The expanded technologies that take service under the Companies' Buy-back and Standby Service Classifications will be eligible for Value Stack compensation for net hourly injections, to the extent that the customer is not participating in a wholesale arrangement for the net injections.

Lastly, the Order provides for revisions to Community Distributed Generation to allow CES Tier 1 Resources as an eligible resource, and authorizes interzonal crediting for remote crediting for projects being compensated under the Value Stack within a utility's service territory.

Newspaper Publication

In accordance with Ordering Clause No. 2, the requirements of Section 66(12)(b) of the Public Service Law requiring newspaper publication has been waived.

Company Contacts

If there are any questions concerning this filing, please call Kathy Grande at (585)771-4514 or me at (585)484-6810.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Lori A. Cole".

Lori A. Cole

Enclosures