

April 2, 2021

### VIA ELECTRONIC FILING

Honorable Michelle L. Phillips Secretary New York State Public Service Commission Three Empire State Plaza Albany, NY 12223-1350

Re: Case 20-E-0543 - Petition of Interconnection Policy Working Group Seeking a Cost-Sharing Amendment to the New York State Standardized Interconnection Requirements.

Case 19-E-0566 - Joint Petition for Certain Amendments to the New York State Standardized Interconnection Requirements (SIR) for New Distributed Generators and Energy Storage Systems 5 MW or Less Connected in Parallel with Utility Distribution Systems.

Dear Secretary Phillips:

New York State Electric & Gas Corporation ("NYSEG") and Rochester Gas and Electric Corporation ("RG&E"), (together the "Companies"), are transmitting for filing in compliance with the New York State Public Service Commission's (the "Commission") <u>Order Directing</u> <u>Interim Modifications to New York State Standardized Interconnection Requirements</u>, issued and effective on March 18, 2021 (the "Order"), in the above-referenced proceeding. The tariff leaves will become effective April 7, 2021, on a temporary basis until made permanent by the Commission.

<u>P.S.C. No. 119 – Electric, Schedule for Electric Service</u> Leaf No. 106, Revision 7 Leaf No. 107, Revision 6 Leaf No. 108, Revision 4 Leaf No. 109, Revision 2 Addendum SIR –Standardized Interconnection Requirements, No. 22

<u>P.S.C. No. 19 – Electric, Schedule for Electric Service</u> Leaf No, 120, Revision 9 Leaf No. 121, Revision 5 Leaf No. 122, Revision 5 Leaf No. 123, Revision 3 Addendum SIR –Standardized Interconnection Requirements, No. 23



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#### Purpose of Filing

The Companies are submitting tariff revisions in compliance with Ordering Clause No. 2 of the Order to suspend deadlines applicable to SIR applications and determine if the interim cost-sharing mechanism shall apply to projects. Additionally, the Companies are filing updated Standard Interconnection Requirements addenda.

#### Overview

The Order adopted an interim cost-sharing mechanism that allows for projects to share costs associated with upgrades to the electric system upgrades. The Companies will identify where they anticipate Qualifying Upgrades<sup>1</sup> necessary to interconnect projects in the interconnection queue.

The Company will use the list of projects whose applications were complete as of the date of the Order to determine if a project is likely to benefit from a Qualifying Upgrade (a "Participating Project"). The Companies will continue to manage applications received after the date of the Order in accordance with the SIR, however interconnection deposit payment deadlines are temporarily suspended for applications at locations impacted by a Qualifying Upgrade. The Participating Projects will be able to participate in the interim cost-sharing mechanism ("Cost-Sharing 2.0").

Under Cost-Sharing 2.0, the first interconnection project and projects with later interconnection queue positions on the same substation will share the costs of the upgrades. Later applications may opt to be treated as Participating Projects if the Qualifying Upgrade will accommodate them.

To determine the allocation for a Participating Project under the Cost-Sharing 2.0 mechanism, the following steps apply:

- 1. initially determine the capacity contribution; the project's capacity divided by the sum of all projects sharing the line.
- 2. Next, the percentage of distribution line footage contribution<sup>2</sup> is determined by dividing the Participating Project's footage use divided by the first mover project's footage. If the Participating Project uses more than the first mover's footage, then the Participating Project footage percentage will be 100%.
- 3. Lastly, the capacity contribution is multiplied by the footage contribution percentage to the final percentage contribution.

Once the Companies have received payments from Participating Projects that total 100% of the Qualifying Upgrade cost estimate, the Company will construct the Qualifying Upgrade. An applicant that doesn't pay their share will not be allowed to interconnect until the applicant has paid the Company their allocated share of the cost.

<sup>&</sup>lt;sup>1</sup> Qualifying Upgrades are those which result in an increase to the hosting capacity of the Company's distribution system beyond that required to interconnect the project that triggered the upgrade.

<sup>&</sup>lt;sup>2</sup> Cost sharing for devices would be based on capacity only, not the product of the capacity and footage.

# Honorable Michelle L. Phillips April 2, 2021

## Newspaper Publication

In accordance with Ordering Clause No. 3 of the Order, newspaper publication in accordance with Public Service Law 66(12)(b) and 16 NYCRR 720-8.1 is waived.

<u>Company Contacts</u> If there are any questions concerning this filing, please call Kathy Grande at <u>Kathy\_Grande@rge.com</u> or me at (585) 484-6810.

Respectfully submitted,

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Lori A. Cole

Enclosures