



Orange and Rockland Utilities, Inc.  
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January 10, 2020

Honorable Michelle L. Phillips  
Secretary  
New York State Public Service Commission  
Three Empire State Plaza, 19<sup>th</sup> Floor  
Albany, New York 12223-1350

**RE: Case 15-E-0751, Value Stack Compensation for  
High-Capacity-Factor Resources**

Dear Secretary Phillips:

Orange and Rockland Utilities, Inc. ("O&R" or the "Company") is filing with the Public Service Commission (the "Commission") amendments to its Schedule for Electric Service, P.S.C. No. 3 – ELECTRICITY (the "Electric Tariff"). The revised Electric Tariff Leaves, which are identified below, are filed to become effective on February 1, 2020.

<u>Leaf No.</u>	<u>Revision No.</u>	<u>Superseding No.</u>
185.6	4	3
185.6.1	3	2
185.6.2	1	0

**Reason for Filing**

This filing is made pursuant to the Commission's Order Regarding Value Stack Compensation for High-Capacity-Factor Resources, issued and effective December 12, 2019, (the "Order") in Case No. 15-E-0751, "In the Matter of the Value of Distributed Energy Resources." The Order directed each utility to file tariff amendments implementing changes to how the Market Transition Credit ("MTC"), Community Credit,<sup>1</sup> and Environmental Components of the Value Stack are handled for certain technologies.

**Tariff Changes**

Pursuant to the Order, the Company has modified the following sections of the Electric Tariff as described below.

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<sup>1</sup> Since O&R does not have a Community Credit, the changes to the Electric Tariff being filed are limited to the MTC and Environmental Components of the Value Stack.

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- The Billing – Value Stack Tariff, Environmental Component Section of Rider N has been amended to state the following:
  - A project that qualified<sup>2</sup> after August 13, 2019 whose generation did not meet the definition of an eligible energy system as defined in Public Service Law §66-p or the Climate Leadership and Community Protection Act (“CLCPA”) will not be allowed to transfer their Clean Energy Standard Tier 1 Renewable Energy Credits (“RECs”) to the Company and will thus be ineligible to receive compensation under the Environmental Component.
  - In the future, should any change be made to the types of generators are included in the CLCPA definition of an eligible energy system, then the project meeting the revised definition will have the option to transfer its RECs to the Company and receive compensation under the Environmental Component moving forward.
- The Billing – Value Stack Tariff, Market Transition Component Section of Rider N has been amended to state the following:
  - Any project with a fuel cell that qualified after August 13, 2019 and is eligible to receive the MTC Component will have such component rate multiplied by a factor of 0.16.

### **Conclusion and Notice**

As directed by Ordering Clause 1 of the Order, the tariff amendments are filed, on not less than twenty days’ notice, to become effective on February 1, 2020. As specified in Ordering Clause 2 of the Order, the Commission has waived the requirements for newspaper publication.

Very truly yours,

/s/

William A. Atzl, Jr.  
Director – Rate Engineering

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<sup>2</sup> The term qualify means the date when the project paid at least 25 percent of its interconnection costs or executed an interconnection agreement if no such payment was required. For projects that would opt in to the Value Stack from another Rider N compensation mechanism, the term qualify will mean when the project opts in to receiving Value Stack compensation.