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Manager - Regulatory & Tariffs

May 22, 2019

**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

Dear Secretary Burgess:

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”) Order Regarding Value Stack Compensation, issued and effective on April 18, 2019 (the “Order”), in the above-referenced proceeding. The tariff leaves will become effective June 1, 2019.

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

Leaf No. 117.46.12, Revision 5  
Leaf No. 117.46.26, Revision 5  
Leaf No. 117.46.26.2.1, Revision 3  
Leaf No. 117.46.26.3, Revision 4  
Leaf No. 117.46.26.3.0, Revision 0  
Leaf No. 117.46.26.4, Revision 5  
Leaf No. 117.46.26.4.0, Revision 0  
Leaf No. 117.46.26.4.1, Revision 2

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

Leaf No. 86.16, Revision 3  
Leaf No. 160.39.21, Revision 6  
Leaf No. 160.39.21.1, Revision 5  
Leaf No. 160.39.21.2, Revision 5  
Leaf No. 160.39.21.3, Revision 4  
Leaf No. 160.39.21.3.1, Revision 0  
Leaf No. 160.39.21.4, Revision 7  
Leaf No. 160.39.21.4.0, Revision 0  
Leaf No. 160.39.21.4.1, Revision 2

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Purpose of Filing

The Companies are submitting tariff revisions in compliance with Ordering Clause No. 1 of the Order regarding eligible generator rated capacity for Phase One Net Energy Metering (“NEM”) and changes to Value Stack compensation.

Overview

In accordance with the Order, the Companies have revised the eligibility of Phase One NEM for projects that with a rated capacity of 750 kW or less and meet certain criteria.

Additionally, under Value Stack compensation, the Companies are modifying the calculations of Alternatives 1 and 2 for the Capacity Credit, the Demand Reduction Value, and the Locational System Relief Value for projects that qualify for Value Stack compensation on or after July 27, 2018. Except for Community Distributed Generation projects and projects that receive a Market Transition Credit, a project that is receiving Value Stack compensation based on rules applicable to projects that were qualified prior to July 27, 2018 can make a one-time irrevocable election to be compensated based on the new methodologies for capacity, DRV and LSRV (if applicable). The election must be for all applicable components to a project.

The Order allows a customer-generator to make a one-time irreversible election to participate in the Company’s respective Commercial System Relief Program (“CSRP”) in lieu of being compensated for DRV and LSRV. The customer must notify the Company of their election in accordance with the enrollment requirements of CSRP. The customer’s baseline for measuring performance in the CSRP will not be adjusted if the customer’s baseline is negative.

The Order also established a Community Credit for Community DG projects that qualify on or after July 27, 2018. The Community Credit is available for up to 125 MW in NYSEG’s territory and up to 80 MW in RG&E’s service territory. A project will reserve its Community Credit when it qualifies and will receive the Community Credit for 25 years following the project’s in-service date. A Community DG Host will not be allowed to bank any Community Credit for unallocated percentages of a project.

Newspaper Publication

In accordance with Ordering Clause No. 4 of the Order, newspaper publication in accordance with Public Service Law 66(12)(b) and 16 NYCRR 720-8.1 is 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,



Lori A. Cole

Enclosures