

PSC NO. 220 ELECTRICITY
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: ~~MAY 1, 2021~~JANUARY 1, 2024
 STAMPS: Issued in Compliance with Order in Cases ~~14 E-0151 and 15 E-0751~~18-E-0138, issued April 15,
~~2021~~dated November 16, 2023.

LEAF: 220
 REVISION: ~~78~~
 SUPERSEDING REVISION: ~~67~~

GENERAL INFORMATION

40. VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)

40.2 VALUE STACK

Eligibility:

40.2.1 A customer satisfying the threshold requirements of 40.2.1.1 below and who also meets one of the requirements of 40.2.1.2 through 40.2.1.11 will be required to receive project compensation under the VDER Value Stack tariff which will be based on monetary crediting for net hourly injections:

40.2.1.1 Any customer, residential or non-residential, who owns or operates electric generating equipment ("Facility"), as defined in Public Service Law ("PSL") Section 66-j or Section 66-l, limited in size in conformance with the statute for each Facility type and customer type that generates electric energy in accordance with the criteria as set forth in Rules 36.1.7 and 37.1.5; with the exception that the customer class and capacity limitations are removed under this Rule 40.2, and the 2 MW limit on eligible technologies will be increased to 5 MW for compensation under this Rule 40.2, except for CHP technologies; or

40.2.1.1.1 A customer with Newly Eligible Technologies, regardless of the vintage date requirement qualifying them as a Tier 1 REC eligible resource, including but not limited to: anaerobic food waste digesters, biomass, liquid biofuel, and tidal/ocean; or

40.2.1.1.2 A customer with eligible stand-alone storage, including storage paired with consumption load or charged using regenerative braking technologies, and vehicle-to-grid ("V2G") or vehicle-to-grid integration ("VGI") systems, with the following restrictions:

40.2.1.1.2.1 A customer with eligible stand-alone storage compensated under this Rule 40.2, who is not otherwise charged hourly pricing for energy supply under Rule 46.1.3, will be required to opt in to hourly supply pricing under Service Classification No. 2, Special Provision P, or Service Classification No. 3, Special Provision N, as applicable. Excluded from this requirement are customers with stand-alone storage sized not to exceed 115% of the customer's peak consumption load.

40.2.1.1.2.2 A customer with eligible stand-alone storage where the stand-alone storage is separately metered shall be required to opt in to hourly supply pricing for the stand-alone storage metered usage only.

Projects eligible under Rule 40.2.1.1.1 or 40.2.1.1.2 will receive Value Stack compensation for a term of 25 years from their interconnection date, after which the project may transition to the then-applicable tariff for compensating DERs if desired only if the project meets all compensation eligibility requirements at such time.

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NIAGARA MOHAWK POWER CORPORATION

REVISION: ~~67~~INITIAL EFFECTIVE DATE: ~~MARCH 1, 2023~~ JANUARY 1, 2024SUPERSEDING REVISION: ~~56~~STAMP: Issued in Compliance with Order in Case 18-E-0138, issued ~~July 14, 2022~~ November 16, 2023.

GENERAL INFORMATION

52. ELECTRIC VEHICLE MAKE-READY SURCHARGE

The Electric Vehicle Make-Ready (“EVMR”) Surcharge recovers investments made by the Company and incentive costs paid to customers to support the infrastructure and equipment necessary to accommodate increased electricity demands associated with the deployment of electric vehicles, until such time these costs are reflected in base rates.

52.1 The costs to be recovered, collectively referred to as “EV Make-Ready Costs” are as follows:

52.1.1 Company-Owned Make-Ready Costs: The depreciation expense related to Company-owned make-ready costs, including work related to future-proofing Company infrastructure, and the return on the average unrecovered portion of such investment, net of deferred income taxes, will be collected and amortized over the subsequent one-year period, including carrying charges at the Company’s pre-tax weighted average cost of capital.

52.1.2 Customer-Owned Make-Ready Work: Incentives paid for customer-owned make-ready work will be collected and amortized over a period of fifteen (15) years, with the net-of-tax balances accruing carrying charges based on the Company’s pre-tax weighted average cost of capital.

52.1.3 Other Program Costs: Other Program Costs include costs associated with the Environmental Justice Community Clean Vehicles Transformation Prize, Clean Personal Mobility Prize, Clean Medium- and Heavy- Duty Innovation Prize, Fleet Assessment Service, Medium- and Heavy- Duty Make-Ready Pilot Program, ~~and~~ Transit Authority Make-Ready Program, and Micromobility Make-Ready Program. Other Program Costs will be collected and amortized over a period of fifteen (15) years, with the net-of-tax balances accruing carrying charges at the Company’s pre-tax weighted average cost of capital.

52.1.4 Make-Ready Implementation Costs: Implementation costs, including work related to Fleet Assessment Service, will be collected and amortized over a period of five (5) years, with the net-of-tax balances accruing carrying charges at the Company’s pre-tax weighted average cost of capital.

52.1.5 Residential EV Charge Smart Plan Costs: Program enrollment, including customer enrollment incentives, and implementation costs associated with the Residential EV Charge Smart Plan, as specified in SC1 Special Provision N, and any costs associated with the customer’s turnkey installation incurred by the Company, if applicable, that are incurred annually and which exceed amounts included in base delivery rates, will be recovered in the EVMR Surcharge in the subsequent program year. The costs to be recovered will be net of the annual administrative fees collected from customers as a component of the program’s EV Monthly Charge. The net costs to be recovered will be inclusive of carrying charges at the Company’s pre-tax weighted average cost of capital. Any cost recovery balances not recovered through the EVMR Surcharge will be recovered through base delivery rates in the Company’s next rate case.