

PSC No: 120 - Electricity  
 New York State Electric & Gas Corporation  
 Initial Effective Date: ~~November 19, 2023~~ January 1, 2024  
 Revision: ~~67~~

Leaf No. 117.46.26.2  
 Revision: ~~78~~

Superseding

~~Issued in compliance with Order in Case Nos. 15-E-0751 and 14-E-015118-E-0138, dated April 15, 2021~~ November 16, 2023. ~~Issued in compliance with Order in Case No. 22-E-0347, dated October 12, 2023.~~

#### GENERAL INFORMATION

#### 40. Value of Distributed Energy Resources ("VDER"): (Cont'd)

##### B. Value Stack:

##### 1. Eligibility:

- a. i. Any customer, residential or non-residential, who owns or operates electric generating equipment ("Facility"), as defined in Public Service Law ("PSL") §66-j or PSL§66-l, limited in size as set forth in the table below:

Generator Type	Size Limit on System	
	Residential	Non-Residential
Solar	Up to 5 MW	
Micro-hydroelectric	Up to 5 MW	
Fuel Cell	Up to 5 MW	
Micro-CHP	10 kW	N/A
Farm Waste	Up to 5 MW	
Wind	Up to 5 MW	
Farm Wind	Up to 5 MW	

- ii. A customer may install stand-alone energy storage equipment, including an electric vehicle ("EV") charged using regenerative braking technologies, and vehicle-to-grid ("V2G") or vehicle-to-grid integration ("VGI") systems, or pair with a Facility when submitting an application for net metering pursuant to this Rule 40.B.

- iii. Technologies eligible for the Clean Energy Standard Tier 1 ("CES Tier 1"), as listed in Appendix A of the Commission's Order Adopting A Clean Energy Standard, issued on August 1, 2016 in Case 15-E-0302, including projects utilizing the same technology as defined for CES Tier 1 that were installed and operational by January 1, 2015, up to 5 MW in size, are eligible for compensation under this Rule as provided herein.

- iv. To qualify for net metering, the Customer Generator must comply with the requirements of the generating size limits by complying with the following criteria:

- 1) Each project up to the respective generating size limit must be separately metered and separately interconnected to the utility grid.
- 2) Each project must be located on a separate site which can be accomplished by a project having a separate deed or a unique Section-Block-Lot (SBL), a separate lease, and a separate metes and bounds description recorded via either a deed or separate memorandum of lease uniquely identifying each project.
- 3) Each project must operate independently of other units.

- b. A customer taking service pursuant to Rule Nos. 22, 37, or Rule 40.A, Phase One NEM may opt to take service under this Rule. Such election shall be a one-time election and shall be irrevocable.
  - i. An existing customer with a Facility that is sized less than 2 MW may have the capability, based on existing design and location, to increase the capacity of the Facility up to 5 MW. If an existing customer chooses to increase the size of its Facility, the Facility shall receive compensation pursuant to the Value Stack for the entire project.
  - ii. An existing customer taking service pursuant to Rule 37, Community Distributed Generation, that chooses to increase the capacity of their Facility greater than 2 MW, up to 5 MW, may be assigned to a new Tranche as described in Rule 40.B.6.vi.
- c. A customer with an existing generator sized between 2 MW and 5 MW, that otherwise meets the eligibility requirements pursuant to PSL §66-j or PSL§66-l and herein, taking service pursuant to Service Classification No. 10; or receives compensation through bilateral contracts or the NYISO; may make a one-time irrevocable election to opt to take service pursuant to their otherwise applicable Service Classification and receive compensation for excess generation pursuant to this Rule, 40.B Value Stack.
- d. A customer with a generator that otherwise meets the eligibility requirements above in 1.a., and taking service pursuant to Service Classification No. 10, Buy Back Service, or Service Classification No. 11, Standby; may opt

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to receive compensation for net hourly injections pursuant to this Rule, 40.B. Value Stack To the extent the customer is not being compensated for such net hourly injections through the wholesale market.

- i. A customer taking service pursuant to Service Classification No. 11, Standby; and opting for Value Stack compensation, will be excluded from receiving the Reliability Credit under Service Classification No. 11.

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## GENERAL INFORMATION

### 49. Electric Vehicle ("EV") Make Ready Surcharge ("EV Surcharge")

The Electric Vehicle ("EV") Make-Ready Surcharge is to recover the costs associated with the make-ready programs administered by the Company or by NYSERDA as described below.

#### A. Programs

##### 1. Utility-Owned Make-Ready Work

The depreciation expense related to utility-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, shall be collected and amortized over the subsequent one-year period, including carrying charges at the Company's pre-tax weighted average cost of capital.

##### 2. Customer-Owned Make-Ready Work

Incentives paid for customer-owned make-ready work, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such incentives and carrying charges, shall be recovered over a period of 15 years;

##### 3. Make-Ready Implementation Costs

Implementation costs inclusive of the Fleet Assessment Service, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such other costs and carrying charges, shall be recovered over a period of 5 years.

##### 4. EV Managed Charging Program

Costs associated with the EV Managed Charging Program (Rule 53), including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances, shall be deferred to the end of each program year and recovered during the subsequent program year.

##### 5. Other Programs

This includes costs associated with the Environmental Justice Community Clean Vehicles Transformation Prize, Clean Personal Mobility Prize, Clean Medium- and Heavy- Duty Innovation Prize, ~~and~~ Medium- and Heavy- Duty Make-Ready Pilot Program, and Micromobility Make-Ready Program. To the extent that costs in these programs are for utility-owned make-ready infrastructure, such costs shall be recovered consistent with Utility-Owned Make-Ready Work as noted in (a) above. Other costs of these programs, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances of such other costs and carrying charges, shall be recovered over a period of 15 years.

#### B. Applicability

The EV Surcharge shall be collected from all customers taking service under Service Classification Nos. 1, 2, 3, 5, 6, 7, 8, 9, 11 and 12, whether receiving electricity supply from the Company or an ESCO.

#### C. Costs

1. Costs for the Electric Vehicle Make-Ready Programs shall be collected from all customers taking electric delivery service, except as provided in D. below, and allocated to service classifications based on delivery service revenues.

ISSUED BY: Jeremy Euto, Vice President - Regulatory, Binghamton, New York

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