PSC NO. 220 ELECTRICITY   LEAF: 220.2
NIAGARA MOHAWK POWER CORPORATION   REVISION: 3
INITIAL EFFECTIVE DATE: JUNE 1, 2019   SUPERSEDING REVISION: 2
STAMPS: Issued in Compliance with Order in Case 15-E-0751 issued April 18, 2019.

GENERAL INFORMATION

40.   VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER) (Continued)

ii.   Value Stack Capacity Component:

The Customer-Generator may select Value Stack Capacity Component Alternative 1, Alternative 2, or Alternative 3 for intermittent technologies. All dispatchable technologies and technologies eligible under Rules 40.2.1.1.1 and 40.2.1.1.2 may only select Alternative 3:

a.   The Alternative 1 Value Stack Capacity Component compensation will be calculated by multiplying the sum of the project's net injections (kWh) for the billing period by the Alternative 1 Value Stack Capacity rate ($/kWh) in effect at the time of billing. The Alternative 1 Value Stack Capacity rate ($/kWh) will be determined separately for (i) projects eligible for Value Stack on or before July 26, 2018, and (ii) projects eligible for Value Stack after July 26, 2018 as provided below. The Eligibility Date is defined as the date at which 25% of the interconnection costs have been paid or a Standard Interconnection Contract has been executed if no such payment is required.

Alternative 1 will be the default Value Stack Capacity Component compensation methodology for intermittent resources if Alternative 2 or Alternative 3 is not otherwise selected by the Customer-Generator.

Projects Eligible for Value Stack on or before July 26, 2018:

The Alternative 1 Value Stack Capacity rate ($/kWh) will be determined as the capacity portion of the kWh supply charge applicable to SC2-ND customers for the applicable billing period and will be shown on a statement filed with the PSC.

Projects Eligible for Value Stack after July 26, 2018:

The Alternative 1 Value Stack Capacity rate ($/kWh) will be calculated in accordance with the following:

(LBMCP forecast ($/kW-mo.) * Proxy Capacity Factor) / Monthly Solar Production (kWh/kW)

Where:

LBMCP forecast equals a forecast of the LBMCP as defined in Rule 1.64, further modified by capacity price gross-up factors as described in Rule 46.1; and

Proxy Capacity Factor is representative of the project's location as provided in Appendix E of the PSC's April 18, 2019 Order Regarding Value Stack Compensation which uses photovoltaic load curves for the hours of 2:00 pm to 7:00 pm on non-holiday weekdays from June 24 to August 31 inclusive each year to determine the "proxy capacity factor" for the fleet of VDER resources eligible for Value Stack Capacity Alternative 1 compensation; and

Issued by John Bruckner, President, Syracuse, NY