

PSC NO. 220 ELECTRICITY  
 NIAGARA MOHAWK POWER CORPORATION  
 INITIAL EFFECTIVE DATE: SEPTEMBER 1, 2020  
 STAMPS:

LEAF: 220.1  
 REVISION: 3  
 SUPERSEDING REVISION: 2

## GENERAL INFORMATION

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

#### 40.2.2 Requirements:

All projects compensated under the VDER Value Stack must be equipped with interval meters, in accordance with Rule No. 25 – Meter, capable of recording net hourly consumption and injection. The customer will be responsible for the cost of such interval meters. Alternatively, customers can arrange for their Facility to be separately metered from their consumption with the additional metering cost to be borne by the customer in accordance with Rule No. 25 – Meter.

40.2.2.1 For new RNM and CDG projects, interval metering must be installed by the time of interconnection.

40.2.2.2 For large on-site projects, where an insufficient meter may be present, interval metering should be installed as soon as practicable.

40.2.2.3 Any mass market customer that opts into the VDER Value Stack tariff must have an interval meter installed before VDER Value Stack compensation can be received.

#### 40.2.3 VDER Value Stack Crediting:

In each billing period, the Company shall pay a credit to the project for net hourly injections from the Facility by summing the credits available from the individual VDER Value Stack components as calculated in Rule 40.2.3.1 for projects that are not paired with energy storage and in Rule 40.2.3.2 for Hybrid Facilities. For projects whose credits are being allocated to satellites that receive NYPA deliveries under S.C. No. 4 or S.C. No. 12, or receive RNY deliveries, the applicable satellite credits may also be used to offset delivery charges associated with these NYPA or RNY deliveries, with the exception that deliveries under S.C. No. 12 must be on a “first through the meter” basis without any accompanying discount to any of the otherwise applicable service class charges billed under the S.C. No. 12 contract.

##### 40.2.3.1 Projects Not Paired with Energy Storage:

##### i. Value Stack Energy Component:

The Value Stack Energy Component is based on the NYISO day-ahead hourly zonal LBMP, inclusive of losses, applied to the project’s hourly net injections in the billing period; losses will vary by voltage delivery level as specified in Rule 39.18.1.1. For CDG projects, the Value Stack Energy Component calculated will be determined for each satellite by multiplying the sum of the hourly components calculated above by the satellite’s allocation percentage in effect for the billing period as provided by the CDG project sponsor. The Energy Component associated with any percentage remaining when the sum of the satellite percentages is less than 100% (“Unallocated Satellite Percentage”) will be banked for later distribution by the CDG project sponsor as specified in Rule 40.2.5.