



**Lori A. Cole**  
Manager - Regulatory & Tariffs

January 11, 2019

**VIA ELECTRONIC FILING**

Honorable Kathleen H. Burgess  
Secretary  
New York State Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223-1350

Re: 15-E-0751 – In the Matter of Value of Distributed Energy Resources.  
Compliance Tariff Filing

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 Implementing Hybrid Energy Storage System Tariff, issued and effective on December 13, 2018 (the “Order”), in the above-referenced proceeding. The tariff leaves will become effective February 1, 2019.

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

Leaf No. 117.46.26.6, Revision 2  
Leaf No. 117.46.26.7, Revision 0  
Leaf No. 117.46.26.8, Revision 0  
Leaf No. 282, Revision 2

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

Leaf No. 2, Revision 23  
Leaf No. 4.3, Revision 1  
Leaf No. 160.39.21.6, Revision 3  
Leaf No. 160.39.21.7, Revision 0  
Leaf No. 160.39.21.8, Revision 0  
Leaf No. 237, Revision 2

Purpose of Filing

The Companies are submitting tariff revisions in compliance with Ordering Clause No. 1 of the Order to establish Value Stack compensation for an energy storage system paired with eligible electric generating equipment (“Hybrid Facility”) as described in the Order.

**Honorable Kathleen Burgess**  
**January 11, 2019**

**Page | 2**

Overview

The Order approved Value Stack compensation for a Hybrid Facility installed by a customer pursuant to the Standard Interconnection Requirement (“SIR”) Addendum. A customer with a Hybrid Facility will be required to select an option for Value Stack compensation from four different options:

1. Storage Exclusively Charged from Eligible Generator;
2. Storage Controls Configuration;
3. Storage Import Netting Configuration; or
4. Storage Default Configuration.

If the customer does not select an option for compensation, the customer will default to 4. Storage Default Configuration. A customer that selects compensation under 1. Storage Exclusively Charged from Eligible Generator, or 2. Storage Controls Configuration, will have a one-time option to change their initial election to 3. Storage Import Netting Configuration.

Regardless of the option chosen by the customer, the customer will be responsible for paying necessary metering and controls, in accordance with the SIR Addendum. Customers with Stand-alone Energy Storage and energy storage systems paired with non-renewable generation that otherwise qualifies for Value Stack compensation will be required to take service under Standby.

For each of the Hybrid Facility options, the Company will calculate the Capacity Component Credit, Environmental Component Credit, and the Market Transition Credit in accordance with the customer’s election. All other Value Stack Components will be calculated in accordance with existing rules pertaining to Value Stack Compensation.

Newspaper Publication

In accordance with Ordering Clause No. 2 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