

November 14, 2018

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

Re: Case 15-E-0751 et al. – Order on Value Stack Eligibility Expansion and Other Matters

Dear Secretary Burgess:

In compliance with Ordering Clause 1 of the Commission's Order on Value Stack Eligibility Expansion and Other Matters in Cases 15-E-0751 and 15-E-0082 issued and effective September 12, 2018, Central Hudson Gas & Electric Corporation ("Central Hudson" or "the Company") hereby files the following proposed tariff amendments to become effective on December 1, 2018. Please note that in response to a request for extension filed jointly on October 25, 2018 by the utilities listed in Ordering Clause 1, the Secretary granted an extension of the filing date from November 1, 2018 to November 14, 2018.

P.S.C No. 15 – Electricity

16th Revised Leaf No. 163.5.6 4th Revised Leaf No. 163.7 3rd Revised Leaf No. 163.7.2 2nd Revised Leaf No. 163.9.6 2nd Revised Leaf No. 163.9.7 Original Leaf No. 163.9.7.1 1st Revised Leaf No. 163.9.8 2nd Revised Leaf No. 163.9.9 3rd Revised Leaf No. 163.9.10 1st Revised Leaf No. 163.9.11 3rd Revised Leaf No. 163.9.12 1st Revised Leaf No. 163.9.12 1st Revised Leaf No. 163.9.13 5th Revised Leaf No. 272.1

Pursuant to Ordering Clause 1 of the aforementioned Order, the above tariff leaves have been amended within General Information Section 37 – Remote Net Metering, and General Information Section 46 - Community Distributed Generation, General Information Section 48 – Value of Distributed Energy Resources and Service Classification No. 14 – Standby Service to include the following:

• Removal of customer-type based technology requirement and expansion of size limit to 5 MW for value stack compensation on technologies referenced in PSL §66-j and §66-l, excluding combined heat and power. Projects ineligible for net energy metering ("NEM") under PSL §66-j and §66-l will not be eligible for Phase One NEM or the Market Transition Credit element of the value stack.

- Expansion of value stack compensation to Renewable resources that were not already eligible, including CES Tier 1 Eligible Resources, as well as projects that would be eligible for Tier 1 but for an in-service date prior to January 1, 2015, subject to the following:
 - Non-NEM-eligible resources are not be eligible for the MTC and are only eligible for the Alt 3 Capacity Value;
 - Resources that are not Tier 1 eligible as they were placed into service prior to January 1, 2015 will not be eligible for the Environmental Value;
 - Newly eligible projects will receive value stack compensation for 25 years from their in-service date except projects with an in-service date prior to January 1, 2015 which will be required to take service under a successor compensation tariff when approved by the Commission; and,
 - O Stand-alone storage, including storage paired with consumption load and regenerative braking technologies, will be eligible for value stack compensation for any hourly injections to the grid.
- Mitigation of inequities to nonparticipants through requirements on the energy rate applied by the utility to stand-alone storage projects when such projects purchase their energy requirements from the utility, as well as application of standby and buyback rate provisions that would apply to non-DER prosumers to newly eligible projects.
- Expansion of CDG eligibility to Tier 1 technologies that have been added to value stack eligibility, including when any such technologies are combined with storage.
- Removal of restriction prohibiting interzonal crediting within a utility territory for CDG and remote crediting projects compensated based on the value stack.

Pursuant to Ordering Clause 2, the requirements of Public Service Law §66(12)(b) and 16 NYCRR §720-8.1 concerning newspaper publication of the tariff amendments in Clause 1 are waived.

Questions related to this filing should be directed to Jay Tompkins at <u>jtompkins@cenhud.com</u> or (845) 486-5203.

Respectfully,

Anthony S. Campagiorni Vice President Regulatory & Governmental Affairs

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