



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

May 28, 2020

**VIA ELECTRONIC FILING**

Honorable Michelle L. Phillips  
Secretary  
New York State Public Service Commission  
Three Empire State Plaza  
Albany, NY 12223-1350

Re: Case 18-E-0130 – In the Matter of Energy Storage Deployment Program.

Dear Secretary Phillips:

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 Establishing Energy Storage Goal and Deployment Policy, issued and effective on December 13, 2018 (the “Order”), in the above-referenced proceeding. The tariff leaves will become effective July 1, 2020.

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

Leaf No, 2.1, Revision 25  
Leaf No, 117.8, Revision 21  
Leaf No. 117.46.24, Revision 2  
Leaf No, 11752, Revision 0

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

Leaf No. 2, Revision 26  
Leaf No. 4.3, Revision 4  
Leaf No. 160.26.1, Revision 19  
Leaf No. 160.39.19, Revision 2  
Leaf No. 160.40, Revision 0

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Purpose of Filing

The Companies are filing changes to its May 2, 2019 compliance filing after further discussion with Department of Public Service Staff.

Overview

The Companies are submitting clarifying changes to its tariffs to describe the recovery of costs associated with procuring energy storage assets in accordance with its Implementation Plan<sup>1</sup>. The Order provides that the costs will be recovered from all delivery customers in the same manner that the Non-Wires Alternative program costs are recovered.

The Companies are establishing a new provision in its tariff for the cost recovery of the energy storage contracts, recognizing the reduction in costs as a result of revenues received related to such contracts. Furthermore, the Order states that if the net annual wholesale market revenues exceed annual costs, the excess will be shared on a 70/30 basis between delivery customers and shareholders.

Similar to the Non-Wires Alternative program costs, the energy storage contract costs will be collected through the Non-Bypassable Charge ("Transition Charge")<sup>2</sup> on a per-kWh basis for non-demand billed customers and on a per-kW basis for demand-billed customers.

Newspaper Publication

In accordance with Ordering Clause No. 15 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

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<sup>1</sup> The Companies submitted their Implementation Plan in accordance with the Order on February 11, 2019.

<sup>2</sup> Incremental program costs for Non-Wires Alternative projects are collected as part of the Rate Adjustment Mechanism, which is included in the Non-Bypassable Charge ("Transition Charge") for billing purposes.