

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

CASE 15-E-0751 - In the Matter of the Value of Distributed  
Energy Resources.

NOTICE SOLICITING COMMENTS ON  
SCOPE AND PROCESS FOR PHASE TWO OF  
VALUE OF DISTRIBUTED ENERGY RESOURCES

(Issued November 18, 2016)

PLEASE TAKE NOTICE that Department of Public Service Staff (Staff) seeks comment, recommendations, and suggestions on the future scope, timeline, and process for the Value of Distributed Energy Resources Proceeding. Commenters should organize their comments based on the topic areas and discussion areas as detailed in Attachment One below. Comments should be submitted by December 23, 2016. All filings should refer to "Case 15-E-0751" and be submitted to the Secretary by e-filing, through the Department of Public Service's Document and Matter Management System (DMM),<sup>1</sup> or by e-mail to the Secretary at [secretary@dps.ny.gov](mailto:secretary@dps.ny.gov). If unable to file electronically, commenters may make submission by U.S. Mail or by hand delivery to the Hon. Kathleen H. Burgess, Secretary, Three Empire Plaza, Albany, New York 12223-1350. All documents submitted to the Secretary will be posted on the Department's website and become part of the official case record.

If you have any questions, please contact Ted Kelly by email at [Theodore.Kelly@dps.ny.gov](mailto:Theodore.Kelly@dps.ny.gov), or by telephone at (518) 473-4953.

(SIGNED)

KATHLEEN H. BURGESS  
Secretary

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<sup>1</sup> To register with DMM, go to <http://www.dps.ny.gov/e-file/registration.html>.

## ATTACHMENT ONE

### STAFF DISCUSSION AND CONTEXT FOR PHASE TWO OF VALUE OF DISTRIBUTED ENERGY RESOURCES

During the course of the collaborative meetings leading to the Staff Report and Recommendations in the Value of Distributed Energy Resources (VDER) Proceeding, filed in Case 15-E-0751 on October 27, 2016, there was general agreement among the participating parties and Staff that discussions related to the ongoing development of the methodology for valuing and compensating DER should begin as soon as practical. Staff had originally anticipated convening a meeting in November 2016 to solicit suggestions about the scope, timeline, and procedure for this next stage of this work. However, Staff is mindful of the competing commitments of active participants in this matter arising from the comment schedule in this and other proceedings before the Public Service Commission (the Commission).

Accordingly, rather than scheduling an in person meeting, Staff invites all interested parties to submit recommendations and suggestions on future scope, timeline and procedure through a brief written statement responding to the items listed below. Specifically, Staff invites feedback related to topics identified during the Phase One discussions as well as the commencement of the ongoing development of VDER methodology. As a starting point Staff believes that this subsequent stage of the collaborative should include discussion on the following topic areas:

- Improvements and modifications to the value stack, including components related to the bulk system, distribution system and societal values;
- Rate design considerations and implications for application of VDER "compensation";
- Application of VDER to projects and technologies not eligible for Phase One (e.g., NEM projects larger than 2 MW, CHP larger than 10 kW, non-NEM eligible technologies,

non-generation DERs, stand-alone energy storage technologies);

- Transitioning of mass market projects beginning January 2020;
- Benefit / cost analyses; and
- Overlap and interaction with other REV proceedings (e.g., DSIP, BCA)

In developing recommendations and suggestions, Staff requests that parties organize their comments according to the following discussion areas:

1. Please list topics and issues that were deferred during the Phase One discussions that you believe can and should be addressed during the first quarter of 2017. These topics were sometimes referred as candidates for consideration as Phase 1.5 recommendations for the Commission, addressing near term refinements to the Phase One methodology.
2. Please comment regarding the topics listed above that have been identified by Staff for consideration during Phase Two. In addition, please identify other specific topic areas that should be considered as part of the development of the Phase Two methodology.
3. Please provide suggestions regarding the type and/or format of process that you believe would be the most effective and efficient for addressing the topics and issues in subsequent phases of this proceeding.

Staff anticipates that the next in-person meeting in this proceeding will be held in January 2017.