May 18, 2018

(Via email to secretary@dps.ny.gov)
Honorable Kathleen H. Burgess
Secretary to the Public Service Commission
Three Empire State Plaza
Albany, New York
12223-1350

RE: Case 15-E-0751 - In the Matter of the Value of Distributed Energy Resources.

Matter 17-01276 - In the Matter of the Value of Distributed Energy Resources
Working Group Regarding Value Stack.

Matter 17-01277 - In the Matter of the Value of Distributed Energy Resources
Working Group Regarding Rate Design.

Dear Secretary Burgess,

This letter provides an update regarding the schedules of the Value of Distributed Energy Resources (VDER) Value Stack and Rate Design Working Groups and responds to letters filed recently in the above-referenced dockets.

First, as previously stated, I note that the working groups meetings previously scheduled for May 23, 2018 have been cancelled. The next VDER working group meeting will occur in July and will be on the topic of the Value Stack Working Group Environmental Track. A future Staff filing will finalize the date for that meeting and schedule future meetings.

Second, in regard to the numbered points in the letter submitted on May 4, 2018 by the Solar Energy Industries Association, the New York Solar Energy Industries Association, the
Alliance for Clean Energy New York, the Coalition for Community Solar Access, the Pace Energy & Climate Center, the Natural Resources Defense Council, and Vote Solar, Staff provides the following responses:

“1. Clarity in the scope of the class or group of customers in question.”
As explained in the VDER Value Stack and Rate Design Working Group Process and 2018 Schedule and discussed during several meetings, the rate design proposals should be for a “Mass Market NEM Successor Rate.” Therefore, they should be proposals for a rate for mass market DER customers. As also discussed in the Rate Design working group, after a Mass Market NEM Successor Rate is approved, the appropriateness of that rate, or other modified rates, for non-DER customers will be considered.

“2. More granular customer data.”
It is Staff’s understanding that the parties submitting the letter and the utilities have continued to work together on data availability and analysis such that this point has been generally resolved.

“3. Cost of service studies for the utilities in question.”
Substantial information derived from the cost of service studies was provided by the utilities in presentations to the Rate Design Working Group and in the workbook. More complete information is available from each utility in the most recent rate case and/or on the utility website. For convenience, links are provided here: for Niagara Mohawk Power Corporation d/b/a National Grid starting here and continuing here; for Central Hudson Gas & Electric Corporation; for New York State Electric and Gas Corporation; and for Rochester Gas and Electric Corporation; and for Consolidated Edison, Inc. and Orange and Rockland Utilities, Inc. as attachments to this letter.

“4. The bill impacts model developed by JU related to the inputs worksheet.”
As the bill impacts models will be developed based on the rate design proposals chosen by Staff for analysis, they do not currently exist and therefore cannot be provided at this time.

“5. The E3 bill impacts model, developed on behalf of DPS.”
As E3’s models will be developed based on the rate design proposals chosen by Staff for analysis, they do not currently exist and therefore cannot be provided at this time.

Third, in response to requests by the Advanced Energy Economy Institute and the parties that sent the May 4 letter for an extension of the May 23, 2018 date for the submission of rate design proposals by one month, I note that the May 23 deadline was set by Staff, rather than by
the Secretary, and an extension request is therefore properly directed at Staff, rather than at the Secretary. On considering the requests, as well as the Joint Utilities’ submission in opposition to an extension, Staff has determined that an extension to May 29, 2018 is reasonable and appropriate. A longer extension would result in unreasonable delay in beginning the analysis process needed to finalize a rate design proposal by the end of 2018.

Sincerely,

/s/

Ted Kelly
Assistant Counsel

cc: David Gahl (via email)
Ryan Katofsky (via email)
Susan Vercheak (via email)

Encls.