Niagara Mohawk Power Corporation d/b/a National Grid

Commercial Managed Charging Program Implementation Plan

Case 22-E-0236

July 18, 2023

Contents

1. Introduction

1.1. Background and summary of Order

The New York Public Service Commission's ("PSC") January 19, 2023, *Order Establishing Framework for Alternatives to the Traditional Demand-Based Rate Structure*[1] adopted a suite of operating cost relief solutions for commercial electric vehicle (EV) charging customers. The Order directed the Joint Utilities[2] to file an Immediate Solution implementation plan within 60 days after issuance of the Order, and a Near-term Solution proposal within 180 days after issuance of the Order. The Immediate Solution required: (1) for the Upstate Utilities,[3] a Demand Charge Rebate (DCR) for all commercial EV charging use cases; (2) for the Downstate Utilities,[4] a Commercial Managed Charging Program (CMCP) with use-case specific adders for transit and public Level 2 (L2) charging, and a 50 percent DCR for public Direct Current Fast Charging (DCFC) sites; and (3) for all utilities, a termination of the existing Per-Plug Incentive (PPI) program for new applicants and the redeployment of those funds for demand management technology incentives. Most elements of the Joint Utilities' Immediate Solution were filed with the Commission on March 20, 2023, and the demand management technology filing was made on May 19, 2023.[5] The Commission has not yet acted on these filings.

For a Near-term Solution, the Order directed the Upstate Utilities to develop and implement a CMCP. This document is the CMCP implementation plan and associated draft tariff leaves for Niagara Mohawk Power Corporation d/b/a National Grid ("Company").

2. CMCP Design

2.1 Customer eligibility

The Company's Commercial Managed Charging Program is an opt-in program open to all commercial customers in rate classes SC-2, SC-3, SC-3A, or SC-4 with at least 25kW of nameplate electric vehicle supply equipment (EVSE) installed that are capable of providing the data required to measure their EVSE loads on an hourly or more granular interval. All commercial use cases of EV charging are eligible, including public charging, fleet and workplace charging, multi-unit dwellings, and any other market segments that take service on an eligible commercial rate. Customers in the EJP economic development program in Rule 34 are not eligible.

At this time, the Company plans to allow customers participating in the EV Phase-In Rate to also participate in the CMCP.

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1 Case 22-E-0236, *Proceeding to Establish Alternatives to Traditional Demand-Based Rate Structures for Commercial Electric Charging*, Order Establishing Framework for Alternatives to Traditional Demand- Based Rate Structures (Issued January 19, 2023) ("Order").

2 The Joint Utilities are Central Hudson Gas & Electric Corporation (Central Hudson), Consolidated Edison Company of New York, Inc. (Con Edison), New York State Electric & Gas Corporation (NYSEG), Niagara Mohawk Power Corporation d/b/a National Grid (National Grid), Orange and Rockland Utilities, Inc. (O&R), and Rochester Gas and Electric Corporation (RG&E).

3 The Upstate Utilities are Central Hudson, National Grid, NYSEG, and RG&E.

4 The Downstate Utilities are Con Edison and O&R.

5 The Joint Utilities requested and received a 60-day extension, until May 19, 2023, to file a demand management technology program. Case 22-E-0236, *Proceeding to Establish Alternatives to Traditional Demand-Based Rate Structures for Commercial Electric Vehicle Charging.* Ruling on Extension Request (issued March 8, 2023).

The Company also plans to allow customers participating in the CMCP to also participate in the Company's Commercial Demand Response programs (i.e., Commercial System Relief Program and Dynamic Load Management offerings). The Company acknowledges that these programs are targeting similar peak-avoidance benefits, however the Company needs to gather more information about EV customer load management efforts across the different types of sites (e.g., separately metered, co-located with other loads, public charging versus private/fleet charging, etc.) to understand better how to align these offerings. Among other questions, the Company does not have sufficient evidence around how customer EV charging loads will show up in the Commercial System Relief Program's General Customer Baseline Load Methodology, particularly if EV loads are managed to be outside of the CMCP peak window on a daily basis.[6]

The Company also plans to allow customers participating in the CMCP to participate in the NYISO demand response programs as the value streams underlying those programs are distinct from those in the Company's CMCP (which are based upon avoided distribution and transmission costs).

Draft tariff leaves are provided in Appendix 1.

2.2 Incentive design

The Company will offer incentives to participating customers to shift their EV loads to off-peak times. Specifically, the Company will offer a Peak Avoidance Incentive to encourage participants to reduce their EV charging demands during the program's Peak Window.

The Company proposes to measure Peak Avoidance on a monthly basis as follows:

$$Peak\ Avoidance\ (kW) = (Max.EVSE\ Demand\ during\ all\ hours) - (Max.EVSE\ Demand\ during\ Peak\ Window).$$

Where 'Max. EVSE Demand during all hours' will be the customer's maximum hourly EVSE demand on the electric grid that month, and 'Max. EVSE Demand during Peak Window' will be the customer's maximum hourly EVSE demand on the electric grid during the Peak Window that month. The customer's Peak Avoidance Incentive will be determined as follows:

$$Peak\ Avoidance\ Incentive_i = (Peak\ Avoidance_i) * (Incentive\ Rate_i)$$

Where *i* denotes the month. The proposed Incentive Rates are described in more detail in section 2.3.

Program Data Requirements

To calculate Peak Avoidance the Company requires data on EVSE loads on an hourly or more granular basis. The Company plans to use different data collection approaches depending on the type of customer site and existing utility metering approach, summarized in Table 1.

For customers with separately metered EVSE (i.e., no loads besides EV charging) and who have interval meters, the Company expects to use the utility meter data to calculate the Peak Avoidance Incentive. Currently, this is typical for sites with monthly demand greater than 250kW and who are on Mandatory Hourly Pricing for energy supply,[7] although the Company's rollout of Advanced Metering Infrastructure (AMI) will help make this data available for all separately metered EVSE sites as it becomes available.

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[6] The Company's commercial demand response programs are described on this website https://www.nationalgridus.com/Upstate-NY-Business/Demand-Response/Electric-Demand-Response-Solutions, with additional details on the baseline load procedure described at this website https://www.nationalgridus.com/media/pdfs/bus-ways-to-save/customer_baseline_load_procedure.pdf.

[7] Per tariff P.S.C. 220, Service Classification No. 3, Special Provision L.

For customers who are not separately metered or do not have interval meters, the Company expects to use customer-provided data from their Network Service Provider or EVSE data platform. This data typically exists on a per-port basis, so supporting customers with multiple charging ports would require aggregating the EVSE data to obtain customer-level demand measurements for each hour. The Company expects a vendor to support this effort, and funding for that service is included in the budget in section 3.8.

Table 1 CMCP Data Collection Approaches

EVSE site type	**Utility Metering Setup**	**Data collection approach for CMCP**
EVSE is separately metered	Hourly interval meter (or more granular)	Use interval data from utility metering
	Not hourly interval metering	Use EVSE data (until AMI is available for that site)
EVSE is not separately metered	Hourly interval meter (or more granular)	Use EVSE data
	Not hourly interval metering	Use EVSE data

Finally, there are several implementation details the Company expects to resolve once the program begins its implementation phase, including:

- Determining the incentive payment cadence for each customer, whether it is the calendar month, quarterly, or some other cadence.
    - The Company has not proposed to modify the incentives based upon a customer's participation in the Phase-In Rate, however should the Company do so in the future, it would pay the CMCP incentives on a deferred basis to allow such modifications to be based upon the customer's bill.
- Specifying validation checks of the customer-provided EVSE data to assess its quality and possible comparisons against available utility meter or billing data or known EVSE nameplate capacity figures. Customers or Network Service Providers who are unable to provide sufficient quality data will not be allowed to participate.
- Specifying any calculation adjustments or data requirements for sites that have co-located battery storage, customer generation (e.g., solar) or any other circumstances that may result in the net demand on the electric grid being different from the power supplied by the EVSE.

2.3 Incentive rates

The CMCP incentives are designed to be cost effective, resulting in estimated lifetime benefits that are greater than or equal to estimated lifetime costs. The Company proposes initial incentive amounts that are informed by the Marginal Cost of Service (MCOS) study used in its last rate case (Case 20-E-0380) and currently used as part of the valuation of its Demand Response programs. The Company proposes to value the Peak Avoidance Incentive based on a portion of avoided distribution and avoided transmission costs, which are estimated in Table 2, below.

Table 2 Estimated Marginal Costs of Distribution and Transmission

Year	**Marginal cost of distribution ($/kW/year)**	**Marginal cost of transmission ($/kW/year)**
2024	$92	$37

2025	$94	$38
2026	$96	$39

The Company proposes to make the avoided distribution value stream available twelve months a year and to make the avoided transmission value stream available from June to September (four months a year). Dividing the yearly marginal costs by the number of months the value stream is available results in marginal costs of approximately $9.44 per kW per month for transmission and $7.80 per kW per month for distribution. The Company proposes to set the monthly distribution incentive rate at approximately 25 percent of the distribution level marginal costs, and the monthly transmission incentive rate at approximately 20 percent of the transmission level marginal costs. The resulting distribution and transmission Peak Avoidance Incentive rates for each month are set forth in Appendix 2.

Participating customers who connect to the distribution system (i.e., secondary and primary voltage delivery levels) will be eligible for both the distribution and transmission incentive value streams. Participating customers who connect directly to the transmission system (i.e., subtransmission and transmission voltage delivery levels) will only be eligible for the avoided transmission value streams (the Company is not aware of any EVSE customers who connect to transmission today, although this may occur in the future).

The Company proposes the incentive values reflected in Appendix 2 to encourage year-round management of EVSE loads, to align the largest incentives to the system peak window during the summer, and to achieve a cost-effective and cost-beneficial program. To be cost beneficial, the program is designed so that program benefits (avoided distribution and transmission costs) are greater than program costs, including customer incentive and program administration costs. Further, benefits are not guaranteed from any particular instance of peak avoidance. For example, 100 kW of peak avoidance in July may not result in 100 kW of peak reduction when looking at peak loads across the entire year, as actual distribution, transmission, or system peaks may occur in a different month (e.g., August) or at a time outside the program's peak window (e.g., 2:00pm-3:00pm). All of these factors inform the decision to set the initial incentive levels at roughly 20 to 25 percent of the estimated avoided transmission and distribution costs. The Company notes that the proposed incentive rates are comparable in value to its Commercial Demand Response program incentives, which have a proven track record of cost-effectively incentivizing customer load management. As the Company and customers gain experience with the CMCP, the Company may propose revised distribution incentive rates, revised transmission incentive rates, or both; in which case, the Company will file a revised Appendix 2 to this implementation plan reflecting the revised incentive rates.

2.4 Peak window

The Company currently plans to value the CMCP incentives based upon avoided distribution and transmission costs. Thus, the Company proposes a peak window based upon forecasts of distribution and transmission peaks. The Company proposes a single peak window of 3:00pm to 9:00pm daily, year-round, based upon the evidence below.

For transmission and system-level peaks, the Company reviewed recent peak data at the New York Independent System Operator (NYISO) zonal level and the recent NYISO Gold Book. The NYISO Gold Book states the New York Control Area (NYCA) historical system peak hours have recently been hour beginning 16 and 17 (i.e., 4:00pm to 6:00pm).[8] Further, NYISO states that "The hour of the actual NYCA peak varies annually. Currently, the NYCA summer peak typically occurs in late afternoon. The NYCA summer peak will likely shift into the evening as additional BTM [behind the meter] solar is added to the

[8] NYISO 2023 Gold Book, Table I-18: Historical NYCA System Peak Demand, available at https://www.nyiso.com/documents/20142/2226333/2023-Gold-Book-Public.pdf.

system, and as electric vehicle charging impacts increase during the evening hours."[9] The NYISO Power Trends report further supports this peak window.[10]

Distribution peaks are more local and therefore the Company expects a wider range of peak times. After reviewing historical data on distribution feeder peaks and conversations among the Company's distribution planning teams, the Company expects most of the local distribution peaks to occur during the 3:00pm to 9:00pm window.

The Company expects the 3:00pm to 9:00pm window to capture sufficient peak avoidance value while still giving EVSE customers flexibility to shift their charging to off-peak hours. A longer peak window, such as 8:00am to 10:00pm (currently used for Service Class 3A Time-of-Use customers) would capture more of the local distribution peaks, however it would also likely limit the CMCP's enrollment only to customers who have a very high degree of flexibility and may actually result in a less successful program.

The Company will investigate additional actions it might take if a peak is projected to occur outside of the peak window, including sending notifications to customers asking them to voluntarily reduce their charging loads during the forecast peak. The Company will reassess the peak window over time, including whether to establish regionally specific or seasonal peak windows.

Finally, the Company notes that the peak window of 3:00pm to 9:00pm is different than the peak and superpeak windows contained in the Company's EV Phase-In Rate proposal. The Phase-In Rate proposes to use the SC-7 peak and superpeak periods, with the superpeak period lasting from 1:00pm to 6:00pm on non-holiday weekdays. This superpeak period was based upon historical cost data, not forecasted transmission and distribution loads, resulting in the Phase-In Rate superpeak overlapping but not aligning exactly with the CMCP peak window. Having multiple peak windows may add complexity to customers who participate in both offerings, however they are each appropriate for their stated purposes. Customers who can manage their loads beyond the 3:00pm to 9:00pm peak window for the CMCP may see added bill savings from the Phase-In Rate or other rates and programs.

2.5 Incentive calculation examples

Below are illustrative examples of the Peak Avoidance Incentive calculation (assuming $2/kW-avoided on the distribution system for each month of the year, and $2/kW-avoided on the transmission system for June through September).

Example 1

Customer A is a distribution customer with separately metered EVSE who sees a maximum EVSE demand in July of 150kW and a maximum EVSE demand during the peak window of 50kW. Customer A's Peak Avoidance is 100kW and they receive a $400 incentive for the month of July (100kW avoided * $4.00/kW-avoided total incentive rate).

Example 2

Customer B is a distribution customer with EVSE co-located with other loads. Customer B's Network Service Provider submits data on Customer B's EVSE load, resulting in a maximum EVSE demand in July of 150kW and a maximum EVSE demand during the peak window of 150kW. Customer B's Peak Avoidance is 0kW, and they receive no incentive for the month of July.

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[9] NYISO 2023 Gold Book, page 10.

[10] NYISO 2023 Power Trends Report, Figure 13, available at https://www.nyiso.com/documents/20142/2223020/2023-Power-Trends.pdf/7f7111e6-8883-7b10-f313-d11418f12fbf?t=1686132123808.

Example 3

Customer C is a customer with mixed EV and non-EV load with a transmission interconnection. Customer C's Network Service Provider submits data on Customer C's EVSE load, resulting in a maximum EVSE demand in July of 150kW and a maximum EVSE demand during the peak window of 50kW. Customer C's Peak Avoidance is 100kW and they receive a $200 incentive for the month of July (100kW avoided * $2.00/kW-avoided transmission incentive rate). Transmission interconnection customers are not eligible for the avoided distribution incentive.

Example 4

Customer D is a distribution customer with mixed EV and non-EV load. Customer D fails to submit their EVSE load data according to the specified process (discussed in section 3.3), therefore the Company is unable to calculate and verify their peak avoidance calculation. Thus, Customer D receives no incentive for the month of July.

2.6 Program design flexibility

The Company expects to adjust the program design over time based on experience and learnings from the initial deployment to improve both its effectiveness and efficiency. The Company plans to adjust key program design elements on an annual basis via a petition describing the updates to the program design and including any revised tariff leaves, as necessary. The Company anticipates potentially adjusting program design elements including but not limited to customer eligibility, incentive rates, the peak window, interval data collection approaches, and other elements as needed.

2.7 Program design considerations

This CMCP design balances customer accessibility, effectiveness, and efficiency to manage commercial EV charging loads. By incentivizing transmission and distribution peak avoidance, the program is providing a price signal to minimize future peak loads and therefore drive more efficient investments in the electric grid (i.e., the incentives are tied to cost causation).

The Company has not added other incentives, such as a per-kWh off-peak charging incentive, as such incentives are less directly tied to cost causation. Other managed charging programs, such as those for residential customers, use per-kWh off-peak rebates, as per-kWh charges and credits are more familiar to residential customers. Further, residential customers typically cannot do much to influence the maximum demand of their EVSE (i.e., the EVSE is either on or off), whereas commercial customers are likely to have multiple EVSE or DCFC and more tools to manage their overall peak demand.

The Peak Avoidance Incentive pays customers based on the degree to which they consistently move EV charging load to off-peak times. The Company believes the proposed approach does the best job of incenting customers who move charging loads to off-peak hours. The proposed design avoids incenting customers who see maximum EVSE demand during the peak window and should avoid gaming and creating any distortionary incentives.

The Peak Avoidance Incentive requires obtaining interval data for EVSE load. Given that a large share of customers participating in the Company's EV Make-Ready Program are co-locating their EVSE load with the rest of their premise load, allowing participation for these customers requires segregating EVSE loads in a practical manner. The Company has proposed using EVSE data where sufficient utility metering data is not available. Although this approach has challenges and costs of its own, at this time the Company believes the benefits of allowing participation by customers with co-located EVSE loads outweighs the associated data costs and challenges.

Finally, the Company notes that this implementation plan does not currently assume any advanced technology integrations, such as short-term peak load forecasts at the substation level, distributed energy

resource management system (DERMS) integrations, or standards-based device integrations (e.g., OpenADR, IEEE 2030.5). Future iterations of the CMCP may leverage or benefit from investments in such approaches, and the Company will consider proposals in this and other proceedings as appropriate.

3. CMCP Implementation

3.1 Program Implementation Overview

To launch the CMCP, the Company will establish a customer application process, a process to obtain EVSE interval data either from the Company's metering or the customer's EVSE, an incentive payment process, and a program data analysis and reporting process. Further, the Company will market the program to interested customers and perform other day-to-day program management responsibilities. These implementation steps are described below.

3.2 Customer enrollment process

The Company will establish a program website containing the program description, application instructions, and frequently asked questions. The website will be established by the time of the program launch. The Company will put in place a customer eligibility verification process to ensure customers are on eligible rates and not in any competing or conflicting offerings (if applicable). The Company expects new program applications to be verified, and for newly enrolled customers to become eligible for incentive payments, within 30 days of receiving a complete application.

The Company expects that some commercial customers will have multiple electric accounts under management, such as EVSE developers, fleet operators, or multi-family development property managers. The Company will strive to make program application, communications, incentive payment, and other management issues efficient and effective for customers with multiple EVSE sites under management.

A draft of the CMCP customer application data elements is attached as Appendix 3.

3.3 EVSE interval data acquisition and management process

As discussed earlier, to calculate the Peak Avoidance Incentive, the Company requires access to meter data or EVSE interval data of hourly or greater granularity. The Company will hire a vendor to help acquire, manage, aggregate, and analyze the EVSE data required to calculate the CMCP incentives. The Company intends to support as many different EV charging Network Service Providers (NSPs) as feasible to enable broad program access. Recent experience from the Company's Make-Ready Program indicates that many networks are not providing reliable, regular EVSE data, and that interval data in particular is frequently unreported. However, the Company is aware of multiple firms providing EVSE data acquisition and management services and expects to be able to use EVSE data to calculate incentives for many EVSE customers.

As described in the tariff, given the reliance on customer-provided EVSE data for some participants, if the EVSE data is poor quality, not submitted in the proper format, not submitted in a timely manner, or otherwise determined to be unreliable or suspect, the Company may decline to pay an incentive for that time period to that customer. Repeated issues with EVSE data may result in a customer being removed from the program.

The Company also plans to engage a vendor to analyze the EVSE and meter data to support the reporting requirements from the Order.

3.4 Incentive payment process

The Company plans to pay CMCP incentives on a quarterly or more frequent basis. The Company has not established its payment approach at this time and whether it will issue incentives on-bill as a credit, off-bill as a standalone payment, or whether customer preference may dictate which payment method is used.

3.5 Marketing and outreach

The Company will market the CMCP to customers going through the Make-Ready Program, other known EVSE sites, Approved Contractors in the Make-Ready Program, Network Service Providers, and other EV stakeholders. The Company will establish a program landing page on its website where customers can learn more about the offering, its design, how to enroll, and frequently asked questions.

The Company will conduct an initial marketing campaign timed with the availability of the program, followed by ongoing targeted marketing to new customers and contractors in the Make-Ready Program over time.

3.6 Evaluation and Reporting

In the Order, the Commission directed the utilities to report on the following data semi-annually, on a per-participant basis if feasible: (1) the number of accounts participating in the Immediate and Near-term solutions; (2) participants' average peak demand kW; (3) participants average monthly kWh consumption; (4) participants' average annual load factor on a year-to-date basis; and (5) the number and type of each charger participating.

The Commission further directed the Joint Utilities to collect and report the following data annually: (1) the year-over-year growth rate in number of accounts participating in Solutions; (2) an assessment of whether incremental EV charging load has resulted in local grid impacts; (3) an assessment of the extent to which incremental EV charging load has resulted in upward or downward rate pressure on non-participating customer rates; and (4) an assessment on the impacts of Solutions on low- and moderate-income customers and Disadvantaged Community residents.

While much of the reporting data requested by the Commission is expected to be directly available to the Company, such as participation and consumption data, several annual reporting requirements will require deeper analysis (e.g., effects on the distribution system, non-participating customers, and Disadvantaged Communities). To enable it to report on these elements, the Company plans to engage an Evaluation, Measurement and Verification (EM&V) services provider. The Company has provided the estimated costs for these services in section 3.8. The Company's Implementation Plan for the Immediate Solutions discussed the need for an EM&V provider however it did not include estimates of the costs of the EM&V provider in that plan.

3.7 Program timeline

The Company expects to launch the program approximately seven months after receiving approval of the implementation plan. The Company will require time to contract with a vendor for data aggregation and other services, develop customer facing materials, validate data collection processes, and validate incentive payment processes. Assuming the Company receives an Order approving the implementation plan and tariffs by November 2023, the program should be able to launch before the summer peak season arrives (June to September).

3.8 Program budget

The Company's proposed budget for 2024 through 2026 is summarized in Table 3. The program budget includes two estimates of customer incentive costs based upon different average levels of peak avoidance (but otherwise assuming the same number of participants). The Company requests authorization for the estimated program administration budget in addition to the high customer incentive budget estimate and evaluation costs, totaling $6,519,000 over the three-year period. The Company requests flexibility for the budget to be used across budget categories and across years until it is expended. The Company will file a budget for additional program years as necessary.

The Company projects the program will be cost effective (net beneficial) over the initial three-year period, with a breakeven point around 8 MW of EVSE peak avoidance per year. The Company currently has over 50 MW of EVSE load in its Make-Ready Program pipeline in the Paid, Constructed, or Under Construction stages and not counting other EVSE sites that are not part of the Make-Ready Program (mostly legacy/existing EVSE sites) or any EVSE sites that are constructed in the future.

Table 3 Estimated Program Budget

	CY2024	CY2025	CY2026	Total (2024-2026)
Staffing	$159,000	$164,000	$169,000	$492,000
Other administration	$615,000	$715,000	$815,000	$2,145,000
Subtotal administration	**$774,000**	**$879,000**	**$984,000**	**$2,637,000**
Customer Incentives (Low)	$160,000	$336,000	$648,000	$1,144,000
Customer Incentives (High)	$480,000	$1,008,000	$1,944,000	$3,432,000
Evaluation				**$450,000**
Total (with high customer incentives)	**$1,254,000**	**$1,887,000**	**$2,928,000**	**$6,519,000**

3.9 Cost Recovery

All costs, including carrying charges calculated at the Company's currently authorized pre-tax cost of capital applied to the net-of-tax balances, will be deferred to the end of each calendar year, and recovered during the subsequent program year through the EV Make-Ready Surcharge, as described in the draft tariff leaves.

Appendix 1 – Draft tariff leaves
(Clean and Redlined)

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE:
STAMP:

LEAF: 234.7
REVISION:
SUPERSEDING REVISION:

GENERAL INFORMATION

48. COMMERCIAL ELECTRIC VEHICLE CHARGING PROGRAMS (CONTINUED)

48.3 Commercial Electric Vehicle Managed Charging Program (CMCP)

48.3.1 Commercial customers served under SC2, SC3, SC3A, or SC4 with electric vehicle supply equipment (EVSE) are eligible for the CMCP, excluding customers participating in the EJP program in Rule No. 34. Customers must complete the Company's enrollment process prior to being billed in this program.

48.3.2 To be eligible for the CMCP, a customer must have EVSE with at least 25 kW of total nameplate capacity. The EVSE must be capable of measuring and providing interval load data to the Company.

48.3.3 Customers participating in the Commercial Electric Vehicle Phase-In Rates are eligible for the CMCP.

48.3.4 Customers participating in the Company's Demand Response programs, per Rule Nos. 61, 62, 63 and 65, are eligible for the CMCP.

48.3.5 The CMPC Peak Avoidance Incentive

48.3.4.1 Customers in the CMPC will receive a Peak Avoidance Incentive that is measured and calculated each monthly billing period and will be the product of the Peak Avoidance (kW) and the Incentive Rate ($/kW) as specified in (i) and (ii) below:

i. The Peak Avoidance (kW): equal to the customer's maximum kW demand from the EVSE in the monthly billing period, less the maximum kW demand from the EVSE in the On-peak hours in the same monthly billing period.

ii. The Incentive Rate ($/ kW): the sum of the distribution incentive and the transmission incentive, as established by the Company and specific to the applicable monthly billing period. The Incentive Rate may vary by calendar month. Customers that receive service at the sub-transmission or transmission voltage delivery level will not receive the distribution incentive.

iii. The Peak Avoidance Incentive will be paid to customers on a quarterly, or more frequent, basis.

48.3.6 Rate Periods:

On Peak:	3:00 p.m. to 9:00 p.m. daily, year round
Off Peak:	9:00 p.m. to 3:00 p.m. daily, year round

GENERAL INFORMATION

52. ELECTRIC VEHICLE MAKE-READY SURCHARGE

The Electric Vehicle Make-Ready ("EVMR") Surcharge recovers investments made by the Company and incentive costs paid to customers to support the infrastructure and equipment necessary to accommodate increased electricity demands associated with the deployment of electric vehicles, until such time these costs are reflected in base rates.

52.1 The costs to be recovered, collectively referred to as "EV Make-Ready Costs" are as follows:

52.1.1 Company-Owned Make-Ready Costs: The depreciation expense related to Company-owned make-ready costs, including work related to future-proofing Company infrastructure, and the return on the average unrecovered portion of such investment, net of deferred income taxes, will be collected and amortized over the subsequent one-year period, including carrying charges at the Company's pre-tax weighted average cost of capital.

52.1.2 Customer-Owned Mark-Ready Work: Incentives paid for customer-owned make-ready work will be collected and amortized over a period of fifteen (15) years, with the net-of-tax balances accruing carrying charges based on the Company's pre-tax weighted average cost of capital.

52.1.3 Other Program Costs: Other Program Costs include costs associated with the Environmental Justice Community Clean Vehicles Transformation Prize, Clean Personal Mobility Prize, Clean Medium- and Heavy- Duty Innovation Prize, Fleet Assessment Service, Medium- and Heavy- Duty Make-Ready Pilot Program, and Transit Authority Make-Ready Program. Other Program Costs will be collected and amortized over a period of fifteen (15) years, with the net-of-tax balances accruing carrying charges at the Company's pre-tax weighted average cost of capital.

52.1.4 Make-Ready Implementation Costs: Implementation costs, including work related to Fleet Assessment Service, will be collected and amortized over a period of five (5) years, with the net-of-tax balances accruing carrying charges at the Company's pre-tax weighted average cost of capital.

52.1.5 Residential EV Charge Smart Plan Costs: Program enrollment, including customer enrollment incentives, and implementation costs associated with the Residential EV Charge Smart Plan, as specified in SC1 Special Provision N, and any costs associated with the customer's turnkey installation incurred by the Company, if applicable, that are incurred annually and which exceed amounts included in base delivery rates, will be recovered in the EVMR Surcharge in the subsequent program year. The costs to be recovered will be net of the annual administrative fees collected from customers as a component of the program's EV Monthly Charge. The net costs to be recovered will be inclusive of carrying charges at the Company's pre-tax weighted average cost of capital. Any cost recovery balances not recovered through the EVMR Surcharge will be recovered through base delivery rates in the Company's next rate case.

52.1.6 Commercial EV Managed Charging Program Costs: Implementation costs associated with the Commercial EV Managed Charging Program as specified in Rule 48.3 will be recovered in the EVMR Surcharge in the subsequent program year. The costs to be recovered will be inclusive of carrying charges at the Company's pre-tax weighted average cost of capital. Any cost recovery balances not recovered through the EVMR Surcharge will be recovered through base delivery rates in the Company's next rate case.

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
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GENERAL INFORMATION

52. ELECTRIC VEHICLE MAKE-READY SURCHARGE

52.2 Recovery of Costs

52.2.1 EV Make-Ready Costs will be recovered from customers annually on a two-month lag basis following the annual period when the program costs are incurred by the Company. The annual EV Make Ready Costs in 52.1.1 through 52.1.4, and 52.1.6, will be allocated by service classification in proportion to each service classification's transmission and distribution revenue. The EV Make-Ready Costs in 52.1.5 will be recovered solely from SC1 service classification customers.

52.2.2 The EVMR Surcharge will be applicable to all delivery customers in SC1, SC1C, SC2ND, SC2D, SC3, SC3A, SC4, SC7 and SC12 (in accordance with their individual contracts), all NYPA deliveries (including ReCharge NY Load), and to all service classifications of P.S.C. No. 214 – Electricity. The EVMR Surcharge is not applicable to Empire Zone and Excelsior Jobs Program qualifying load.

52.2.3 An annual reconciliation will be performed for the EVMR Surcharge at the end of each program year. Any over/under collections as a result of this reconciliation will be reflected in the following EVMR Surcharge on a two-month lag basis after the annual reconciliation.

52.2.4 The EVMR Surcharge will be determined by dividing the applicable EV Make-Ready Costs by the forecasted billed kWh or kW demand, as applicable, over the collection period. The EVMR Surcharge will be included in the delivery line item on customers' bills on a per kWh basis for non-demand billed customers, on a per kW basis for demand billed customers, and on a Contract Demand per kW basis for SC7 customers, where applicable.

52.2.5 The EVMR Surcharge will be filed with the Commission in a rate statement not less than fifteen (15) days prior to the effective date.

PSC NO: 220 ELECTRICITY LEAF: 234.7
NIAGARA MOHAWK POWER CORPORATION REVISION:
INITIAL EFFECTIVE DATE: SUPERSEDING REVISION:
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GENERAL INFORMATION

48. COMMERCIAL ELECTRIC VEHICLE CHARGING PROGRAMS (CONTINUED)

48.3 Commercial Electric Vehicle Managed Charging Program (CMCP)

48.3.1 Commercial customers served under SC2, SC3, SC3A, or SC4 with electric vehicle supply equipment (EVSE) are eligible for the CMCP, excluding customers participating in the EJP program in Rule No. 34. Customers must complete the Company's enrollment process prior to being billed in this program.

48.3.2 To be eligible for the CMCP, a customer must have EVSE with at least 25 kW of total nameplate capacity. The EVSE must be capable of measuring and providing interval load data to the Company.

48.3.3 Customers participating in the Commercial Electric Vehicle Phase-In Rates are eligible for the CMCP.

48.3.4 Customers participating in the Company's Demand Response programs, per Rule Nos. 61, 62, 63 and 65, are eligible for the CMCP.

48.3.5 The CMPC Peak Avoidance Incentive

48.3.4.1 Customers in the CMPC will receive a Peak Avoidance Incentive that is measured and calculated each monthly billing period and will be the product of the Peak Avoidance (kW) and the Incentive Rate ($/kW) as specified in (i) and (ii) below:

i. The Peak Avoidance (kW): equal to the customer's maximum kW demand from the EVSE in the monthly billing period, less the maximum kW demand from the EVSE in the On-peak hours in the same monthly billing period.

ii. The Incentive Rate ($/ kW): the sum of the distribution incentive and the transmission incentive, as established by the Company and specific to the applicable monthly billing period. The Incentive Rate may vary by calendar month. Customers that receive service at the sub-transmission or transmission voltage delivery level will not receive the distribution incentive.

iii. The Peak Avoidance Incentive will be paid to customers on a quarterly, or more frequent, basis.

48.3.6 Rate Periods:

On Peak: 3:00 p.m. to 9:00 p.m. daily, year round

Off Peak: 9:00 p.m. to 3:00 p.m. daily, year round

PSC NO: 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: ~~MARCH 1, 2023~~
STAMP: ~~Issued in Compliance with Order in Case 18-E-0138, issued July 14, 2022.~~

LEAF: 236
REVISION: ~~6~~
SUPERSEDING REVISION: ~~5~~

GENERAL INFORMATION

52. ELECTRIC VEHICLE MAKE-READY SURCHARGE

The Electric Vehicle Make-Ready ("EVMR") Surcharge recovers investments made by the Company and incentive costs paid to customers to support the infrastructure and equipment necessary to accommodate increased electricity demands associated with the deployment of electric vehicles, until such time these costs are reflected in base rates.

52.1 The costs to be recovered, collectively referred to as "EV Make-Ready Costs" are as follows:

52.1.1 Company-Owned Make-Ready Costs: The depreciation expense related to Company-owned make-ready costs, including work related to future-proofing Company infrastructure, and the return on the average unrecovered portion of such investment, net of deferred income taxes, will be collected and amortized over the subsequent one-year period, including carrying charges at the Company's pre-tax weighted average cost of capital.

52.1.2 Customer-Owned Mark-Ready Work: Incentives paid for customer-owned make-ready work will be collected and amortized over a period of fifteen (15) years, with the net-of-tax balances accruing carrying charges based on the Company's pre-tax weighted average cost of capital.

52.1.3 Other Program Costs: Other Program Costs include costs associated with the Environmental Justice Community Clean Vehicles Transformation Prize, Clean Personal Mobility Prize, Clean Medium- and Heavy- Duty Innovation Prize, Fleet Assessment Service, Medium- and Heavy- Duty Make-Ready Pilot Program, and Transit Authority Make-Ready Program. Other Program Costs will be collected and amortized over a period of fifteen (15) years, with the net-of-tax balances accruing carrying charges at the Company's pre-tax weighted average cost of capital.

52.1.4 Make-Ready Implementation Costs: Implementation costs, including work related to Fleet Assessment Service, will be collected and amortized over a period of five (5) years, with the net-of-tax balances accruing carrying charges at the Company's pre-tax weighted average cost of capital.

52.1.5 Residential EV Charge Smart Plan Costs: Program enrollment, including customer enrollment incentives, and implementation costs associated with the Residential EV Charge Smart Plan, as specified in SC1 Special Provision N, and any costs associated with the customer's turnkey installation incurred by the Company, if applicable, that are incurred annually and which exceed amounts included in base delivery rates, will be recovered in the EVMR Surcharge in the subsequent program year. The costs to be recovered will be net of the annual administrative fees collected from customers as a component of the program's EV Monthly Charge. The net costs to be recovered will be inclusive of carrying charges at the Company's pre-tax weighted average cost of capital. Any cost recovery balances not recovered through the EVMR Surcharge will be recovered through base delivery rates in the Company's next rate case.

52.1.6 Commercial EV Managed Charging Program Costs: Implementation costs associated with the Commercial EV Managed Charging Program as specified in Rule 48.3 will be recovered in the EVMR Surcharge in the subsequent program year. The costs to be recovered will be inclusive of carrying charges at the Company's pre-tax weighted average cost of capital. Any cost recovery balances not recovered through the EVMR Surcharge will be recovered through base delivery rates in the Company's next rate case.

PSC NO: 220 ELECTRICITY LEAF: 237
NIAGARA MOHAWK POWER CORPORATION REVISION: ~~7~~
INITIAL EFFECTIVE DATE: ~~MARCH 1, 2023~~ SUPERSEDING REVISION: ~~6~~
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GENERAL INFORMATION

52. ELECTRIC VEHICLE MAKE-READY SURCHARGE

52.2 Recovery of Costs

52.2.1 EV Make-Ready Costs will be recovered from customers annually on a two-month lag basis following the annual period when the program costs are incurred by the Company. The annual EV Make Ready Costs in 52.1.1 through 52.1.4, and 52.1.6, will be allocated by service classification in proportion to each service classification's transmission and distribution revenue. The EV Make-Ready Costs in 52.1.5 will be recovered solely from SC1 service classification customers.

52.2.2 The EVMR Surcharge will be applicable to all delivery customers in SC1, SC1C, SC2ND, SC2D, SC3, SC3A, SC4, SC7 and SC12 (in accordance with their individual contracts), all NYPA deliveries (including ReCharge NY Load), and to all service classifications of P.S.C. No. 214 – Electricity. The EVMR Surcharge is not applicable to Empire Zone and Excelsior Jobs Program qualifying load.

52.2.3 An annual reconciliation will be performed for the EVMR Surcharge at the end of each program year. Any over/under collections as a result of this reconciliation will be reflected in the following EVMR Surcharge on a two-month lag basis after the annual reconciliation.

52.2.4 The EVMR Surcharge will be determined by dividing the applicable EV Make-Ready Costs by the forecasted billed kWh or kW demand, as applicable, over the collection period. The EVMR Surcharge will be included in the delivery line item on customers' bills on a per kWh basis for non-demand billed customers, on a per kW basis for demand billed customers, and on a Contract Demand per kW basis for SC7 customers, where applicable.

52.2.5 The EVMR Surcharge will be filed with the Commission in a rate statement not less than fifteen (15) days prior to the effective date.

Appendix 2 – Peak Avoidance Incentive Rates

Month	Peak Avoidance – Avoided Distribution Incentive (per-kW avoided)	Peak Avoidance – Avoided Transmission Incentive (per-kW avoided)	Total Available Peak Avoidance Incentive (per-kW avoided)
Jan	$2.00	$0	**$2.00**
Feb	$2.00	$0	**$2.00**
Mar	$2.00	$0	**$2.00**
Apr	$2.00	$0	**$2.00**
May	$2.00	$0	**$2.00**
Jun	$2.00	$2.00	**$4.00**
Jul	$2.00	$2.00	**$4.00**
Aug	$2.00	$2.00	**$4.00**
Sep	$2.00	$2.00	**$4.00**
Oct	$2.00	$0	**$2.00**
Nov	$2.00	$0	**$2.00**
Dec	$2.00	$0	**$2.00**

Appendix 3 – Draft customer enrollment form

Customer Enrollment Form Data Elements

- Customer name or organization
- Customer contact information
    - Primary name, email, phone number
    - Secondary name, email, phone number
- Customer account number(s) applying to CMCP
- For each account number:
    - Does this site represent only EV charging load?
    - Does this site use an EV energy management system or EVSE power sharing?
    - Does this account have co-located distributed generation (e.g., solar panels)?
    - Does this account have co-located standalone battery storage?
        - Battery storage integrated into the EVSE will be reported in the EVSE inventory.
    - Does this account have an interval meter installed (to be verified by the Company)?
    - Itemized description of Level 2 EVSE ports and kW for each port
    - Itemized description of DCFC ports and kW for each port
    - Maximum simultaneous EVSE demand in kW
    - EVSE Network Service Provider name
    - Site Type (Public, Multi-Unit Dwelling, Commercial Vehicle Fleet, Workplace, Other).
- Form W-9 submission