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Three Empire State Plaza, Albany, NY 12223-1350
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October 7, 2016

David Kimiecik
Vice President, Energy Services
New York State Electric & Gas
P.O. Box 5224
Binghamton, NY 13902-5224

Dear Mr. Kimiecik:

Department of Public Service (DPS) Staff has undertaken a review, with the assistance of Pterra Consulting (Pterra), of NYSEG's protocols requiring specific monitoring provisions on all distributed generation interconnection projects in the capacity range of 250 to 1,000 kW. This generic requirement has been discussed and discounted in the past by Staff; however, the Company continues to apply it. Although NYSEG has changed its position on the actual equipment needed to accommodate these monitoring provisions to reduce the cost impacts to interconnection applicants, it has not yet justified why the Company is the only New York State utility imposing this requirement on projects down to the 250 kW size threshold.

Using the example of a project proposed by Renovus Solar, Pterra has performed an independent engineering review of this issue and disagrees with the Company's rationale for applying these monitoring provisions to projects in the 250 to 1,000 kW capacity range. As outlined in its report, which is attached to this letter, Pterra concludes that the Company has misinterpreted the applicable IEEE standard and that the additional reasons offered by NYSEG in support of its approach do not justify imposing these costs on all applicants.

DPS Staff has reviewed the results of Pterra's analysis and concurs with the consultant's conclusions. Accordingly, DPS Staff recommends that NYSEG remove the generic / blanket monitoring provisions from all projects in the 250 to 1,000 kW capacity range in order to be consistent and in-line with the other New York State utilities' requirements. This does not mean such monitoring provisions may not be justified on some projects on a case-by-case basis, but the Company's generic / blanket requirement is not justified at this time.

Please respond within five business days and indicate NYSEG's position with respect to Pterra's analysis and DPS Staff's recommendation. NYSEG's response should also indicate the company's plan of action. If you have any questions, I can be reached at (518) 486-2498. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Worden". The signature is fluid and cursive, with a prominent initial "M" and a long, sweeping underline.

Michael Worden
Deputy Director - Electric