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Frequently Asked Questions

This page contains frequently asked questions (FAQs) related to the Value Stack. If you do not see an answer to your question here, visit the [Value Stack Resources](#) page or email nyserda@nyserda.ny.gov

Utilities

Interconnection

ICAP

What are the differences between the three ICAP Alternatives and which is the most appropriate for a given project type?

A project's ICAP component is based on how well it reduces statewide energy consumption during periods of high energy load. Distributed generation owners can choose from three payout alternatives:

- Alternative 1—paid out according to each kWh injected into the grid throughout the year. Intermittent resources, including PV, receive this Alternative by default.
- Alternative 2—paid out according to each kWh injected into the grid during a peak window. The peak window is non-holiday weekdays from June 24 to August 31 between the times of 2 to 7 PM (approximately 240 hours per year). Alternative 2 will result in a stronger, more predictable ICAP compensation for resources that are able to inject more energy to the grid during this window, such as PV projects paired with energy storage or mounted on trackers.
- Alternative 3—paid out according to each kWh injected into the grid during the single peak hour of the year. Project compensation is awarded each month of the year, based on the injections from the annual peak hour multiplied by the monthly ICAP Alternative 3 \$/kW rate. Dispatchable technologies (stand-alone storage, combined heat and power [CHP], anaerobic digesters, and fuel cells) must receive Alternative 3.

ICAP Alternative 1 and 3 rates change monthly, and ICAP Alternative 2 rates are set annually. Distributed generation owners may change from Alternative 1 to Alternative 2 or 3, or from Alternative 2 to Alternative 3. This election is permanent and cannot be undone. We encourage you to view [Historic Value Stack Credit Data \(XLSX\)](#) or the [Solar Value Stack Calculator](#) to review capacity pricing data over the past several years.

Community Solar

Variability of Value Stack Rates

Source Documents and Updates