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PSC No: 19 - Electricity
Rochester Gas and Electric Corporation
Initial Effective Date: January 01, 2018
Statement Number: 5

Issued in Compliance with Case 15-E-0751 and 15-E-0082 dated September 14, 2017

FOR VALUE OF DISTRIBUTED ENERGY RESOURCES ("VDER") VALUE STACK CREDITS STATEMENT

For customers taking service under the Value Stack provision pursuant to Rule 26, Distributed Energy Resources, of Schedule PSC No. 19- Electricity, the credit shall be calculated by summing the Value Stack Components, as applicable, and multiplying the total credit by the net export net hourly injections. The credit values for the Environmental Component, Demand Reduction Value (DRV), and Locational System Relief Value (LSRV) shall be established for a project at the time the customer-generator pays 25% of the interconnection cost, or where no such payment is required, at the time the interconnection agreement is signed. The DRV shall be updated for a project pursuant to Rule 26.

| Energy Component | Credit | |
|---|------------------------|---|
| Average Monthly Energy Component (based on publis hourly zonal LBMP energy prices) [averaged by zone] | • | http://www.nyiso.com/public/markets_operations/market_data/pricing_data/index.jsp |
| Capacity Component | | |
| Alternative 1 (for residential and Non- demand small commercial) | \$0.00449 per kwh | Will be filed on one days notice |
| Alternative 2 | \$0.11561 per kwh | Published in January Statement for June-July-August Peak production. |
| Alternative 3 | \$0.32 per Capacity kw | Will be filed on one days notice |
| | | |
| Environmental Component | \$0.02424 / kWh | |
| Demand Reduction Value (DRV) | \$31.92 /kW Annually | |

| NYISO Top Ten Peak Hours and | | | Based on Previous 12 months ending October. |
|------------------------------|-----------|-----------|--|
| Peak Demand | | | To be filled in - with January 2018 statement. |
| | From Date | From Time | MWH |
| Hour 1: | 09/25/17 | 4:00 PM | 1,432.35 |
| Hour 2: | 09/25/17 | 3:00 PM | 1,426.30 |
| Hour 3: | 06/12/17 | 4:00 PM | 1,424.07 |
| Hour 4: | 06/12/17 | 3:00 PM | 1,421.53 |
| Hour 5: | 09/26/17 | 4:00 PM | 1,418.63 |
| Hour 6: | 09/27/17 | 2:00 PM | 1,414.05 |
| Hour 7: | 09/26/17 | 3:00 PM | 1,408.21 |
| Hour 8: | 09/25/17 | 2:00 PM | 1,408.13 |
| Hour 9: | 07/19/17 | 4:00 PM | 1,403.89 |
| Hour 10: | 08/02/17 | 4:00 PM | 1,403.52 |

| Locational System Relief Value (LSRV) for the following locations: | Credit | Remaining MW in LSRV Zone |
|---|----------------------------|---------------------------|
| Station 117 - Replace #1 Transformer Bank and convert 3 circuits to 12kV operation Circuits 2130,2131,2156,5186,5188 | \$47.96 per kW Annually | 1.34 MW |
| Station 46 - Replace #1 and #3 Transformer Banks Circuits 2548, 0583, 0584, 0261, 0262, 0297, 2507, 2508 | \$9.47 per kW Annually | 3.28 MW |

| | Market Transition Credit \$/kWh | | |
|---------|---------------------------------|------------|--|
| Tranche | S.C. No. 1 | S.C. No. 2 | |
| 0/1 | \$0.03829 | \$0.03078 | |
| 2 | \$0.03271 | \$0.02557 | |
| 3 | \$0.02712 | \$0.02036 | |