

PSC No: 19 - Electricity  
Rochester Gas and Electric Corporation  
Initial Effective Date: December 01, 2017  
Issued in Compliance with Case 15-E-0751 and 15-E-0082 dated September 14, 2017

Statement Type: VDER-CRED  
Statement Number: 4

**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.

| <b>Energy Component</b>  |                        | <b>Credit</b>   |
|--|------------------------|---|
| Average Monthly Energy Component (based on published day ahead NYISO hourly zonal LBMP energy prices) [averaged by zone] |                        | <a href="http://www.nyiso.com/public/markets_operations/market_data/pricing_data/index.jsp">http://www.nyiso.com/public/markets_operations/market_data/pricing_data/index.jsp</a> |
| <b>Capacity Component</b>  |                        |   |
| Alternative 1 (for residential and Non-demand small commercial)  | \$0.00530 per kwh      | Will be filed on one days notice  |
| Alternative 2  | \$/ kWh                | Published in February Statement for June-July-August Peak production.   |
| Alternative 3  | \$0.36 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 Peak Demand<br><br>Hour 1:<br>Hour 2:<br>Hour 3:<br>Hour 4:<br>Hour 5:<br>Hour 6:<br>Hour 7:<br>Hour 8:<br>Hour 9:<br>Hour 10: | Based on Previous 12 months ending October.<br>To be filed in - with January 2018 statement. |
|---|--|

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

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