

P.S.C. NO. 3 ELECTRICITY**ORANGE AND ROCKLAND UTILITIES, INC.**

INITIAL EFFECTIVE DATE: February 1, 2020

Issued in compliance with Order in Case 15-E-0751 dated 12/12/2019.

LEAF: 185.6.1

REVISION: 3

SUPERSEDING REVISION: 2

GENERAL INFORMATION**13. SERVICE CLASSIFICATION RIDERS (Continued)****RIDER N (Continued)****NET METERING AND VALUE STACK TARIFF FOR CUSTOMER-GENERATORS****BILLING – VALUE STACK TARIFF (Continued)**

(C) (Continued)

(3) Environmental Component (Continued)

For customers who elect to transfer their RECs to the Company and for CDG Satellite Accounts whose CDG Host Account elects to transfer their RECs to the Company, the Environmental Component Rate will be equal to the higher of: (1) the clearing price of the New York State Energy Research and Development Authority's most recent Tier 1 REC procurement; or (2) the Social Cost of Carbon, net of the expected Regional Greenhouse Gas Initiative ("RGGI") allowance values, as calculated by Department of Public Service Staff. For all other customers, the Environmental Component Rate is \$0/kWh.

The Environmental Component Rate will be determined at the time the customer pays at least 25 percent of its interconnection costs or executes the interconnection agreement if no such payment is required or, for a customer opting into the Value Stack Tariff that has already met either of these criteria in the interconnection process, at the time the customer opts-in to the Value Stack Tariff, and will be fixed for the term of the customer generator's eligibility of 25 years from the project's in-service date.

The Environmental Component Rate will be set forth on the Value Stack Credits Statement.

(4) Market Transition Credit ("MTC") Component

A CDG project taking service under Value Stack Phase One will receive an MTC for Mass Market Customer CDG Satellite accounts provided that the customer-generator is a PSL Section 66-j or 66-l eligible resource (based on customer type, generator type, and size). The MTC will be equal to the MTC SC No. 1 Component Rate applicable to the customer-generator's assigned Tranche (as determined in compliance with the PSC's March 9, 2017 Order in Cases 15-E-0751 and 15-E-0082) times the net injection during the billing month times the percentage of SC No. 1 Satellite Account allocations; plus the MTC SC No. 2 – Non-Demand Billed Component Rate times the net injection during the billing month times the percentage of SC No. 2 – Non Demand Billed Satellite Account allocations.

A Mass Market Customer who has opted into the Value Stack Phase One will receive the MTC for SC No. 1 or SC No. 2 based on the customer's service classification.

Issued By: Robert Sanchez, President, Pearl River, New York