

PSC NO: 15 ELECTRICITY

LEAF: 163.9.10

COMPANY: CENTRAL HUDSON GAS & ELECTRIC CORPORATION

REVISION: 5

INITIAL EFFECTIVE DATE: 02/01/20

SUPERSEDING REVISION: 4

Issued in Compliance with Order in Case 15-E-0751 dated December 12, 2019

48. Value of Distributed Energy Resources (VDER) (Cont'd)**B. Value Stack (Cont'd)****Value Stack Components: (Cont'd)****4. Market Transition Credit (MTC) Component**

Mass market customers, as defined in General Information Section 48.A, opting in to Value Stack Compensation under this Section and qualifying CDG projects with mass market subscribers that have received a Tranche assignment on or before July 26, 2018, will receive a MTC applied to the mass market allocation of their net energy export, will receive compensation under Phase One Value Stack, and may not opt-in to Phase Two Value Stack. Where applicable, the MTC rate per kWh applied will be determined by Tranche assignment and service designation (residential or small commercial, non-demand) at the time the Customer qualifies and will be fixed over a project's compensation term. The MTC applicable to dispatchable high-capacity-factor resources (*i.e.*, fuel cells) that qualify after August 13, 2019, shall be adjusted by a factor of 0.16. The MTC will not be available to customers with electric generating equipment ineligible for NEM under Public Service Law §66-j and §66-l or to any projects receiving compensation under Phase Two Value Stack.

The MTC rates will be published on the VDER Statement as detailed below.

In the case of an active Tranche wherein the next eligible project exceeds the MW allocation remaining in the Tranche, the project will be eligible to receive the MTC of that Tranche for the eligible capacity of that project. However, if the amount of the project's eligible capacity exceeds the MW capacity remaining in the Tranche by more than 1 MW, the entire project will be placed in the subsequent Tranche. At this time, the original Tranche will be closed and the total MW allocation of the subsequent Tranche will be increased by the unused MW capacity in the original Tranche.

CDG projects that qualify on and after January 18, 2018, will be assigned to Tranche four until it is filled. CDG projects that qualify on or before July 26, 2018, but after the capacity in Tranche four is exhausted and therefore are not assigned a Tranche position, may make a one-time irrevocable opt-in to receive compensation under Phase Two Value Stack.

Issued by: Anthony S. Campagiorni, Vice President, Poughkeepsie, New York