

PSC NO. 220 ELECTRICITY

NIAGARA MOHAWK POWER CORPORATION

INITIAL EFFECTIVE DATE: SEPTEMBER 1, 2021

STAMPS: Issued in Compliance with Order in Case 19-E-0735 issued July 15, 2021.

LEAF: 220.8

REVISION: 3

SUPERSEDING REVISION: 1

## GENERAL INFORMATION

## 40. VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER) (Continued)

## Carryover of VDER Value Stack Credits:

40.2.5 Projects eligible for the VDER Value Stack will receive compensation for a term of 25 years from the project's interconnection date and will have the ability to carryover excess credits to subsequent billing periods and annual periods as follows:

- i. Excluding credits held by CDG project sponsors, unused credits may be carried over to the next monthly billing period, including to the next annual period.
- ii. At the end of a project's compensation term, any unused credits will be forfeited.
- iii. CDG project sponsors will be given a two-year grace period beyond the end of each annual period to distribute any credits they retain at the end of that annual period. CDG sponsors are not required to allocate excess or banked credits to all satellites or to allocate these credits in the same proportion as monthly generation is allocated. However, CDG sponsors must ensure that their allocation of banked credits is consistent with the requirements that 60% of a project's credits be allocated to mass market customers. CDG sponsors will notify the Company of which satellites will receive the retained credits and by what percentages using a form provided by the Company.
- iv. For Remote Crediting projects, the allocated monetary credit shall be applied to electric charges on the Remote Crediting Host and Satellite Account(s) bills in accordance with Rule 66.
- v. If the CDG project sponsor has credits in its account throughout the grace period, then at the end of the grace period the CDG project sponsor will be required to forfeit a number of credits equal to the smallest number of credits that were in its account at any point during the grace period, since that represents the number of credits that were held over from the previous period.
- vi. CDG project sponsors will only be permitted to retain credits for distribution during the two-year grace period if those credits remain after the CDG project sponsor has distributed as many credits as practicable to CDG satellites, such that each CDG satellite's consumption in the final month of the annual period is fully offset by the credits provided.

40.2.6 The VDER Value Stack Components will be shown on a statement filed with the PSC apart from this rate schedule not less than three days before its effective date.

40.2.7 The VDER Value Stack compensation shall begin with the eligible project's first full billing cycle after November 1, 2017.

40.2.8 Projects that qualified for VDER Value Stack compensation on or before July 26, 2018, excluding CDG projects and any projects receiving the MTC Component, are allowed a one-time, irrevocable election to receive compensation for the Capacity Component, DRV Component, and LSRV Component (if applicable), that is applicable to projects that qualified after July 26, 2018. This election must be for all Components applicable to the project.