

PSC NO. 220 ELECTRICITY
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: SEPTEMBER 1, 2021
STAMPS: Issued in Compliance with Order in Case 15-E-0751 issued May 17, 2021.

LEAF: 220.8
REVISION: 2
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:

- a. Excluding credits held by CDG Hosts, unused credits may be carried over to the next monthly billing period, including to the next annual period.
- b. At the end of a project's compensation term, any unused credits will be forfeited.
- c. CDG Hosts 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. The two-year grace period begins at the end of the annual period when the credits are reallocated to the CDG Host. CDG Hosts 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 Hosts must ensure that their allocation of banked credits is consistent with the requirements that 60% of a CDG project's credits be allocated to mass market customers. CDG Hosts will notify the Company of which CDG Satellites will receive the retained credits and by what percentages using a form provided by the Company. The CDG Host may furnish to the Company, up to once per CDG Host billing cycle and with no less than 30 days' notice, written instructions for allocating any excess credits banked to the CDG Host's account.
- d. For RNM projects, the remaining monetary credit shall be applied to charges on the RNM Satellite Account(s) bills in accordance with Rule 36.7.4.2.2.
- e. If the CDG Hosts has credits in its account throughout the grace period, then at the end of the grace period the CDG Hosts 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.
- f. CDG Hosts will only be permitted to retain credits for distribution during the two-year grace period if those credits remain after the CDG Hosts 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 CDG project.