Received: 03/20/2018 Status: CANCELLED

Effective Date: 04/01/2018

PSC No: 19 - Electricity Leaf No. 160.39.21.4.1 Rochester Gas and Electric Corporation Revision: 0 Initial Effective Date: April 1, 2018 Superseding Revision:

Issued in compliance with Order in Case Nos. 15-E-0751, dated February 22, 2018.

GENERAL INFORMATION

26. Value of Distributed Energy Resources ("VDER") (Cont'd)

B. Value Stack: (Cont'd)

6. The Value Stack Components: (Cont'd)

- vi. Market Transition Credit ("MTC"):
 - The MTC shall be applicable to the Mass Market customers opting in to Value Stack and to projects participating in Community DG pursuant to Rule 23 with Mass Market subscribers. The MTC shall be applied to the mass market allocation of their net energy export as determined by the project's Tranche assignment and the customer's Service Classification.
 - A customer taking service pursuant to Rule 23, Community Distributed Generation, with a Facility that is sized less than 2 MW may have the capability, based on existing design and location, to increase the capacity of the Facility(ies) up to 5 MW.
 - An expanded or consolidated project shall receive MTC compensation based on their current Tranche assignment if the total capacity of the expanded or consolidated project does not exceed the Tranche MW limit. If the increased capacity exceeds the available Tranche, the entire project will be moved to the next Tranche.
 - Once the final Tranche is filled, the MTC shall no longer be available to new projects. c.
 - The MTC shall be fixed for the term of compensation for a project. d.
 - A project shall not receive the MTC on the same portion of the project that receives a credit for the DRV Component.
 - The MTC shall be set forth in the VDER-Cred Statement.

ISSUED BY: Joseph J. Syta, Vice President, Controller and Treasurer, Rochester, New York