

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

INITIAL EFFECTIVE DATE: December 1, 2018

Issued in compliance with Order in Cases 15-E-0751 and 15-E-0082 dated 9/12/2018.

LEAF: 185.6

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

The Environmental Component credit will be calculated by multiplying the net hourly injections for the billing period by the Environmental Component Rate.

For customers with generation that is eligible to receive Clean Energy Standard Tier 1 Renewable Energy Credits ("RECs"), customers will transfer all RECs generated by the generator to the Company and receive compensation under the Environmental Component unless they make a one-time irrevocable election prior to the date of interconnection to retain all RECs generated by the generator. Customers who retain the RECs will not receive compensation under the Environmental Component. The Company will be the Responsible Party within the New York Generation Attribute Tracking System ("NYGATS") for all Tier 1 eligible Value Stack projects receiving compensation under the Environmental Component, including Tranche 0 CDG projects, and will receive all associated RECs. Tier 1 eligible Value Stack projects making an election to opt-out of receiving compensation under the Environmental Component and retain their RECs must designate a Responsible Party with NYGATS. Customers with Stand-alone Electric Energy Storage will not be eligible for the Environmental Component.

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.

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