

PSC NO: 15 ELECTRICITY

LEAF: 163.9.11

COMPANY: CENTRAL HUDSON GAS &amp; ELECTRIC CORPORATION

REVISION: 1

INITIAL EFFECTIVE DATE: 12/01/18

SUPERSEDING REVISION: 0

Issued in Compliance with Order in Case 15-E-0751 et al. dated September 12, 2018**48. Value of Distributed Energy Resources (VDER) (Cont'd)****B. Phase One Value Stack (Cont'd)****Value Stack Components: (Cont'd)****6. Locational System Relief Value ("LSRV") Component**

Customers whose eligible generation is sited within specific areas identified by the Company and is within the required number of MW identified by the Company will receive an LSRV credit in the form of a monthly lump sum based on the customer-generator's average hourly output in the ten peak Central Hudson system send out hours in the previous calendar year multiplied by the LSRV rate per kW-month in effect. In a project's first year of operation or when the appropriate metering was not in place to measure the customer-generator's net injection during the previous calendar year, LSRV compensation will be based on an average generation profile for a project of its technology and rated capacity. The LSRV rate applicable to a customer-generator will be determined at the time the customer pays at least twenty-five percent of its interconnection costs or executes the interconnection agreement, if no such payment is required, and will be fixed for a period of ten years from the customer-generator's in-service date. The LSRV rate, specific area(s) and MW limits will be published on the VDER Statement as detailed below.

**Summary of Compensation Applicable to Eligible Technologies Pursuant to the September 12, 2018 Order**

<b>Value Stack Component</b>	<b>Technology Type</b>	
	<b>CES Tier 1 Eligible Resources</b>	<b>Stand-Alone Storage / Regenerative Braking</b>
Energy	Day-Ahead Locational Based Market Price	Day-Ahead Locational Based Market Price
Capacity	Alternative 3	Alternative 3
Environmental	Applicable	Not Applicable
Market Transition Credit	Not Applicable	Not Applicable
Demand Reduction Value	Applicable	Applicable
Locational System Relief Value	Applicable	Applicable

**Compensation Term**

Projects meeting the requirements of this Section will be served under the provisions of this Section for a period of 25 years from the project in-service date. Once the compensation term ends, eligible projects still in operation will be billed and credited based on the tariff then in effect. Compensation under this Section for eligible projects placed into service prior to January 1, 2015 will end with Commission approval of a successor compensation tariff.

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