

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: December 01, 2017  
Issued in Compliance with Case 15-E-0751 and 15-E-0082 dated September 14, 2017

Statement Type: VDER-CRED  
Statement Number: 4

**FOR VALUE OF DISTRIBUTED ENERGY RESOURCES ("VDER")  
VALUE STACK CREDITS STATEMENT**

For customers taking service under the Value Stack provision pursuant to Rule 40, Distributed Energy Resources, of Schedule PSC No. 120- Electricity, the credit shall be calculated by summing the Value Stack Components, as applicable, and multiplying the total credit by the net export net hourly injections. The credit values for the Environmental Component, Demand Reduction Value (DRV), and Locational System Relief Value (LSRV) shall be established for a project at the time the customer-generator pays 25% of the interconnection cost, or where no such payment is required, at the time the interconnection agreement is signed. The DRV shall be updated for a project pursuant to Rule 40.

<b>Energy Component</b>		<b>Credit</b>
Average Monthly Energy Component (based on published day ahead NYISO hourly zonal LBMP energy prices) [averaged by zone]		<a href="http://www.nyiso.com/public/markets_operations/market_data/pricing_data/index.jsp">http://www.nyiso.com/public/markets_operations/market_data/pricing_data/index.jsp</a>
<b>Capacity Component</b>		
Alternative 1 (for Residential and Non-demand small commercial)		
	LHV: \$0.01076 / kWh	Will be filed on one days notice
	ROS: \$0.00102 / kWh	Will be filed on one days notice
Alternative 2		
	LHV: \$/kWh	Published in February Statement for June-July-August Peak production.
	ROS: \$/kWh	Published in February Statement for June-July-August Peak production.
Alternative 3		
	LHV: \$3.29 / Capacity kw	Will be filed on one days notice
	ROS: \$0.36 / Capacity kw	Will be filed on one days notice
Environmental Component		\$0.02424 / kWh
Demand Reduction Value (DRV)		\$29.67 /kW Annually

NYISO Top Ten Peak Hours and Peak Demand	Based on Previous 12 months ending October. To be filled in - with January 2018 statement.
Hour 1:	
Hour 2:	
Hour 3:	
Hour 4:	
Hour 5:	
Hour 6:	
Hour 7:	
Hour 8:	
Hour 9:	
Hour 10:	

<b>Locational System Relief Value (LSRV) for the following locations:</b>	<b>Credit</b>	<b>Remaining MW in LSRV Zone</b>
Hilldale 115kV source, xfrmr bank upgrade, 2nd 12kV dist circuit. Circuit 225	\$53.59 per kW Annually	2.68 MW
Holland Transformer Replacement: Circuits 320 and 321	\$56.26 per kW Annually	1.59 MW
Orchard Park - Add a 2nd Transformer Bank: Circuits 285, 286, 287	\$21.82 per kW Annually	2.39 MW
West Davenport Sub - Replace sub transformer with non-LTC 7.5/10.5MVA unit. Circuits 12 and 22	\$48.89 per kW Annually	0.0 MW

	<b>Market Transition Credit \$/kWh</b>	
<b>Tranche</b>	<b>S.C. No. 1</b>	<b>S.C. No. 6</b>
0/1	\$0.03140	\$0.03610
2	\$0.02590	\$0.03040
3	\$0.02040	\$0.02460