

PSC NO. 220 ELECTRICITY
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: APRIL 23, 2018
 STAMPS: Issued in Compliance with Order Issued March 9, 2017 in Case 15-E-0751 and 15-E-0082

LEAF NO. 220.4
 REVISION: 1
 SUPERSEDING REVISION: 0

GENERAL INFORMATION

40. VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER) (Continued)

- iii. The Environmental Component will be calculated by multiplying: i) the sum of the project's total net injections for the billing period (kWh), by ii) the Environmental Component established at the time of the project's Eligibility Date. The Environmental Component will be ~~based on~~ the higher of:
- a. the NYSERDA CES Tier 1 Renewable Energy Certificate ("REC") weighted average procurement price from the most recent solicitation as published by NYSERDA; or
- ~~a.b.~~ the Social Cost of Carbon ("SCC"), net of the expected Regional Greenhouse Gas Initiative ("RGGI") allowance values, as calculated by NYS Department of Public Service Staff and will be shown in a statement filed with the PSC.

The Environmental Component ~~will be~~ will be shown in a statement filed with the PSC and will be fixed for the entire term of the project's 25-year compensation under the VDER Value Stack where such term begins with the project's interconnection date. Customers have a one-time, irrevocable election at the time of interconnection to opt out of the Environmental Component in order to preserve the opportunity to participate in voluntary market environmental and sustainability certification programs.

For CDG projects, the Environmental Component will be determined for each satellite by multiplying the applicable environmental component calculated above by the satellite's allocation percentage in effect for the Billing Period as provided by the CDG project sponsor. The Environmental Component associated with any Unallocated Satellite Percentage will be banked for later distribution by the CDG project sponsor as specified in 40.2.5.