

PSC No: 19 - Electricity
 Rochester Gas and Electric Corporation
 Initial Effective Date: February 1, 2020
 Issued in compliance with Order in Case No. 15-E-0751, dated December 12, 2019.

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 Revision: 3
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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"):

- a. The MTC shall only apply to CDG projects with an eligibility date on or before July 26, 2018 which also meet the further requirements specified herein. 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.
 - i. For Community DG projects, the MTC Component shall be calculated for each individual mass market satellite customer by multiplying: a) the sum of the project's total net injections for the billing period (kWh), b) the MTC Component rate applicable to the project's assigned tranche and satellite's service class, and c) the satellite's allocation percentage in effect for the Billing Period as provided by the CDG Host. The CDG Host will not be allowed to bank any MTC components related to Unallocated Satellite Percentages. CDG projects receiving MTC compensation cannot opt-into receiving the Community Credit component, as described below.
 - ii. For a CDG project that includes a dispatchable high capacity factor resource, *i.e.*, a Fuel Cell, and qualified for Value Stack compensation after August 13, 2019, any applicable MTC shall by adjusted by a factor of 0.16. A CDG project with a dispatchable high capacity factor resource, *i.e.*, a Fuel Cell, and qualified for Value Stack compensation on or before August 13, 2019 shall receive an unadjusted applicable MTC.
- b. A residential customer installing generation greater than 25 kW in size for Solar and Micro-hydroelectric, or 10 kW in size for Fuel Cell and Wind; or a customer-generator that is installing an eligible CES Tier 1 technology as provided in 26.B.1.a.iii, shall not be eligible for MTC compensation.
- 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.
- e. The MTC shall be set forth in the VDER-Cred Statement.

vii. Community Credit

- a. The Community Credit Component shall only apply to Community DG projects that qualified after July 26, 2018 which also meet the further requirements specified herein.
 - i. The Community Credit Component will apply only to CDG project's satellites and those mass market customers who opt into the VDER Value Stack compensation per Rule 26.B.6.ii.vi. Projects eligible under Rules 26.B.6.ii.vi.a, 26.B.6.ii.vi.b and 26.B.6.ii.vi.c, are not eligible to receive the Community Credit Component compensation.
 - ii. The Community Credit Component shall be calculated by multiplying: a) the sum of the Community DG project's total net injections for the billing period (kWh), and b) the project's applicable Community Credit Component rate as set forth in the VDER-Cred Statement, in effect at the time of the project's Eligibility Date.
 - a. For a CDG project that includes a dispatchable high capacity factor resource, *i.e.*, a Fuel Cell, and qualified for Value Stack compensation after August 13, 2019, any applicable Community Credit shall by adjusted by a factor of 0.16. A CDG project with a dispatchable high capacity factor resource, *i.e.*, a Fuel Cell, and qualified for Value Stack compensation between July 26, 2018 and on or before August 13, 2019 shall receive an unadjusted applicable Community Credit,
 - iii. The project's Community Credit rate will be fixed for the first twenty-five (25) years following the project's interconnection date.
- b. The CDG Host shall not be allowed to bank any Community Credit Components related to unallocated Satellite Percentages.

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