

PSC NO. 220 ELECTRICITY  
NIAGARA MOHAWK POWER CORPORATION  
INITIAL EFFECTIVE DATE: OCTOBER 1, 2020  
STAMPS: Issued in Compliance with Order in Case 19-M-0463 issued December 12, 2019.

LEAF: 220.5.1  
REVISION: 2  
SUPERSEDING REVISION: 1

#### GENERAL INFORMATION

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

##### **Projects Eligible for Value Stack after July 26, 2018:**

The DRV Component will be calculated by multiplying: i) the project's net injections (kWh) each bill period during the hours of 2:00 pm to 7:00 pm weekdays, non-holidays, between June 24 and September 15 inclusive, by ii) the project's hourly DRV Component rate (\$/kWh). The project's hourly DRV Component rate will be determined by multiplying the Company's \$/kW-year DRV Component rate in effect at the time of the project's Eligibility Date by ten (10) years and then dividing the result by the total number of eligible hours in the ten-year eligibility period for the project. This hourly DRV component rate will be fixed for the first ten (10) years of the project's operation. At the end of the ten-year period, the hourly DRV Component rate (\$/kWh) will be the DRV rate and hours in effect during the billing period.

Projects may elect to participation in the Company's CSRPs as an alternative to DRV and LSRV compensation. This is a one-time, irrevocable decision that may be made at any point during a project's Value Stack compensation term, in accordance with Rule 62.1. Customer-Generators that chose this election, shall not receive DRV or LSRV compensation for the remainder of their project term.

For CDG projects participating in the CDG Net Crediting Program, the applicable DRV Component calculated above will be included in the calculation of the Value Stack Credits that will apply to all CDG Satellites, as specified in Rule 29.4., except for CDG Satellites of CDG projects that opt into the Company's CSRPs.

For CDG projects not participating in the CDG Net Crediting Program, as specified in Rule 29.4, the DRV Component will apply to all CDG Satellites, with the exception of CDG Satellites of projects that opt into the Company's CSRPs. The DRV Component associated with any Unallocated Satellite Percentage will be banked for later distribution by the CDG project sponsor as specified in Rule 40.2.5.