

PSC No: 120 - Electricity
 New York State Electric & Gas Corporation
 Initial Effective Date: May 1, 2020
 Issued in compliance with Order in Case No. 15-E-0751, dated March 19, 2020.

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 Revision: 4
 Superseding Revision: 3

GENERAL INFORMATION

40. Value of Distributed Energy Resources ("VDER"): (Cont'd)

B. Value Stack:

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, 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 37 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 be 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 40.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 on the VDER-Cred Statement.

vii. Community Credit

- a. The Community Credit Component shall only apply to Community DG projects that meet the further requirements specified herein.
 - i. Community Credit Tranche 1 rate shall be available to a Community DG project that qualified for Value Stack Compensation after July 26, 2018. The available capacity for Community Credit Tranche 1 is up to 125 MW.
 - ii. Community Credit Tranche 2 rate shall be available to a Community DG project that qualified for Value Stack compensation and there is no available capacity for Community Credit Tranche 1. The available capacity for Community Credit Tranche 2 shall be determined by reallocating capacity from Community DG projects that qualified for the MTC or Community Credit Tranche 1 and were cancelled subsequent to the creation of Community Credit Tranche 1. Reallocation of capacity to Community Credit Tranche 2 shall continue until November 1, 2020 or until the Community Credit Tranche 2 is full and cancellations have slowed such that there are no cancellations for one calendar month.
- b. 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 40.B.6.ii.6.