VDER Compensation

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Central Hudson, Distributed Energy Resources



Phase One Nem

- Residential customers up to 25 kw system size
- Demand metered customer up to 750 kw system size.
- Residential Farm customers under 100 kw system size
- Annual output may not exceed 110% of customer's onsite usage.
- Compensation term length of 20 years.



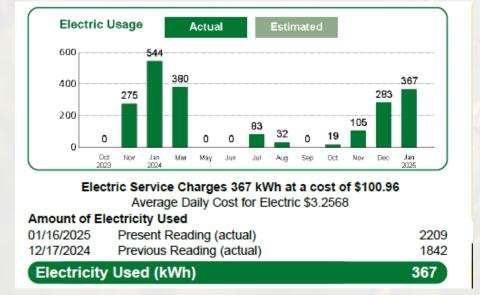


Bill Example - Residential Net meter

Current Net Generation is the total amount of excess generation in this billing period

						
Please return this stub and make checks payable to Central Hudson						
	Account Number					
	Amount Due Now	\$148.00				
NET-METERED ACCOUNT STATUS	Late Charges Added After	02/13/2025				
CURRENT NET GENERATION 0 KWHIREMAINING BALANCE 0 KWH	\$					
	¥	Amount Enclosed				

Remaining Balance is the Bank Balance after any amount has been withdrawn and applied to this billing period.





Customer Benefit Contribution(CBC)

is a monthly fixed charge to fund Public Benefits Programs which include energy efficiency, low income and supply related clean energy programs.

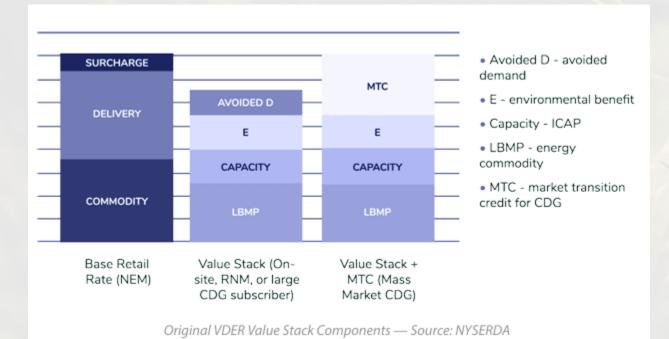
- on-site generating Small Commercial projects and Residential customers that received permission to operate on or after January 1, 2022.
- Upgrades to system or new installed equipment will receive CBC charge.
- CBC is calculated based on DC system size in kilowatts, with a per kw-month rate.
- CBC rate is updated each year.

Customer Benefit Contribution	01/17/2025	\$6.42
((4.08kW*1.72*1.00m)+8.52-%)		



Value Stack Compensation term length of 25 years.

- Residential customers with over 25 kw system size.
- On-site demand metered customer over 750 kw system size.
- Demand metered customer with a system size below 750 kw but also estimated Generation Over 110% of the annual usage.
- Applies to Remote Crediting and CDG.





The Value Stack















Components

Energy Value (LBMP)

This is based on the day ahead market price, changes by hour and it is tied to the injection rates from the NYISO. There is a link to this on the monthly published value stack statement.

Capacity Value (ICAP)

Compensation of how well a project reduces New York State's energy usage during the most energy-intensive days of the year and most rates change monthly.

Click here to learn more about the

Environmental Value (E)

Recognition for reducing emissions and providing environmental benefits by generating clean, renewable energy.

Click here for more details

Demand Reduction Value (DRV)

Value derived from decreasing electricity demand during peak usage times reducing stress on the system.

Locational System Relief Value (LSRV)

Additional compensation for generating electricity in areas where the grid is under significant stress or where extra capacity is particularly beneficial. There is a link to this on the monthly published value stack statement and the LSRV s locked in for 10 years.

(Currently no LSRV areas in Central Hudson's territory)

Market Transition Credit (MTC)

This credit is for those that are switching from net metering to value stack. It assists in a smooth transition and ensures that DER owners don't lose out on benefits by providing a temporary bonus as their new system is being implemented.

(Applicable for systems compensated under Phase One Value Stack

ONLY)

Community Credit (CC)

Available on a limited basis to encourage the development of Community Distributed Generation (CDG) projects. CC is the successor to the Market Transition Credit (MTC) and is similar in structure. The CC is locked in for 25 years.

(Applicable for systems compensated under Phase One Value Stack ONLY)

HOW THE VALUE STACK WORKS:



A developer develops and interconnects a DER.



The electricity produced by that system is injected into the grid.



The utility determines the value of the energy produced, using the Value Stack methodology. The table below explains how the Value Stack is calculated.



The utility allocates the monetary value of the energy produced to the offtakers bill. For a CDG project, the developer directs the utility how to split the credits between many offtakers.



Offtakers pay a subscription fee to the DER developer.* Steps 2-5 repeat each month.

People. Power. Possibilities.

Central Hudson

A FORTIS COMPANY

"Currently, the offtaker will receive a separate bill from the developer. Under consolidated billing, the payment will be made by the utility to the developer "behind the scenes" and offtakers will only see their single electric bill.

Remote Crediting (RC)

Existing RNM converted RC July 15, 2021, and New Interconnected projects compensated RC Value stack effective September 1, 2021.

- Value Stack compensation
- The Remote Crediting Host must be a non-residential customer.
- The RC host can be a residential farm with qualifying electric generating equipment.
- The RC host can allocate credits to itself and up to 10 satellite accounts.
- Satellite customers cannot enroll in a CDG program, net metered, or RNM.



RC Allocation Form

CENTRAL HUDSON GAS & ELECTRIC CORPORATION Application for Remote Crediting

Pursuant to General Information Section 49 of P.S.C No. 15 - Electricity ("Tariff")

Existing Remote Net Metering projects compensated via the Value Stack and taking service pursuant to General
Information Section 37 will be converted to Remote Crediting pursuant to the July 15, 2021 PSC order in Case 19-E-0735
effective with the Host's first full billing cycle after September 1, 2021; New Remote Crediting projects interconnected
on or after September 1, 2021; and, Projects taking service under the provisions of General Information Section 37 may
be eligible to make a one-time, irrevocable election to take service under the provisions of this General Information
Section 49 as defined herein.
Applicant must designate the customer meter where the net metering eligible resource is located ("Host Account") and

Applicant must designate the customer meter where the net metering eligible resource is located ("Host Account") and the customer accounts where the customer would like to apply excess net metering credits ("Satellite Accounts") from the Host Account. Applicant to designate a percentage of generation to apply to each Satellite Account. Failure to notify the Utility that a satellite account has multiple host accounts may result in the incorrect calculation of credits to be applied to the satellite account.

	Monthly Allocation	☐ Host Bank Distribution	
1. Applicant – Hos	t Account		
Account Name:			
Address:	City:	Zip:	
e-mail:			
Phone:			
Central Hudson	Account Number:		

2. Satellite Accounts	% (xx.xxx)	Multiple Host Accounts
xxxx-xxxx-xx	xx.xxx%	x
	·	

- Remote crediting is based on an allocation request form. Can be submitted monthly.
- Excess credits are carried over to subsequent billing periods.

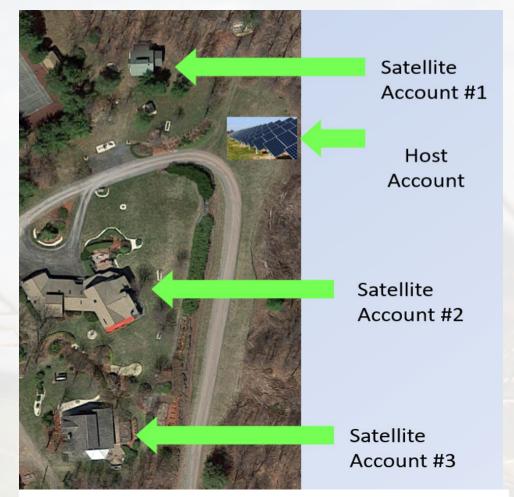


Figure 24: Example of Host Accounts with Satellite Accounts

Satellite accounts can offtake from more than 1 RC host



Bill Example-RC

Remote Crediting CDG Host

Please return this stub and make checks payable to Central Hudson

\$

Account Number

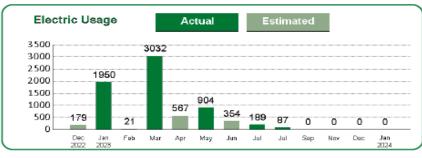
Credit Balance On Your Account Do Not Pay This Amount

\$-372.44

Amount Enclosed

RC- Satellite

Page 1 of 3



NET-METERED ACCOUNT STATUS CURRENT NET GENERATION 2960 KWH|REMAINING BALANCE 4108 KWH

Electric Service Charges 0 kWh at a cost of \$33.04

Average Daily Cost for Electric \$1.1393

Amount of Electricity Used

NEW METER

		kWh	KW
01/04/2024	Present Reading (actual)	999926	0.000
12/07/2023	Previous Reading (actual)	0	0.000
	Multiplier	40.000	

Multiplier

Electricity Used		0	0.000
Cost for Electricity Used (f ENERGY DELIVERY CHAR			
Basic Service Charge	1.0 Mos. @	30.50000	30.50
Total Delivery Charges			30.50
NYS & Local Taxes			0.06
Sales Tax	@	8.125%	2.48
TOTAL ELECTRICITY	COST		\$33.04

Account Number: **Customer Number:**

Contact Us-

Email, "live chat" and other options: CentralHudson.com/ContactUs

Report an outage: CentralHudson.com, 845-452-2700 or text OUT to 236483

Natural gas odors: Call 911 or 1-800-942-8274

Fallen wires and other electrical hazards: Stay at least 30 feet away and call 911

Bill Summary

Previous Billed Amount \$-1,203.52 Current Electric Charges \$148.43 Billing Adjustments \$-148.43

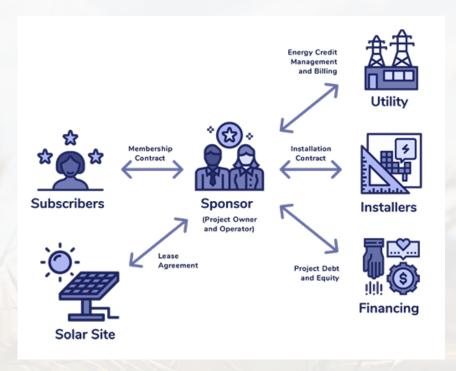
Total Amount Due Now

\$-1,203.52



Community Distributed Generation (CDG)

- Non-residential host with generating equipment based on monetary crediting for net hourly injections, and compensation based off value stack rate.
- Minimum of 10 subscribers Each members total annual credits must amount to a minimum of 1,000 kwh annually.
- Excess credits will be carried forward to the succeeding bill period For up to a 2-year period.
- Subscribers opt in (Enroll/dis-enroll) the CDG sponsor can submit monthly allocation forms(or modify %)





CDG Allocation Forms

SECTION I - Host Information CDG Host Account: XXXX-XXXX-XX Account Name: Customer Host Service Address: Mailing Address: Name Company Company Address Address City, State ZIP Code City, State ZIP Code First Name Last Name 999-999-9999 Customer Contact: emailaddress@unknown.com Project Number: e-mail address Value Stack Phase 2 Enroll: Unenroll: Savings Rate: 5% Excluded Anchor Customer Account: XXXX-XXXX-XX

SECTION II - N	1embei	r Allocation Information
		Initial Allocation Request: must be submitted at least 60 days prior to the CDG Host Account commencing service under the CDG Program.
Check One		Subsequent Allocation Request: must be submitted no less than 30 days before the CDG Host Account's cycle billing date to which the modifications apply.
		Host Bank Request for Allocation of Excess Credits: must be submitted no less than 30 days before the CDG Host Account's billing cycle date to which the modification apply. The most recent Initial Allocation Request or Subsequent Allocation Request, as applicable, will continue to apply to all on-going allocations.

	Central Hudson Account Number (11 numerical digits, no "-")	Distribution Percentage (up to 5 numerical digits)
Anchor		
1		
2		

- Include host account number
- Signed by authorized individual
- One allocation per billing period
- Host Bank Request once per billing period
- Anchor customer can be designated(Netcrediting)
- Designates Savings Rate (Net-Crediting)



Net Crediting

- Compensation methodology under value stack rate follows traditional CDG.
- Prior to commencing contractual agreement, all registrations, forms and elections are submitted.
- Election of a minimum savings rate 5% except Anchor(the determination of the CDG subscription fee)
- Consolidated bill to subscriber customer, reduces need for 2 bills from Utility & host.
- Utility makes payment to CDG Sponsor (host)
- Guaranteed Savings. Fully Automated.



Host Summary Report (Net-Crediting)

Summary of Subscriber Cred Billing Period: Host Acc: Rate: Total Generation in kWh:	20231117 to 20231215 XXXXXXXXX EL02 Value stack phase 2 Host			- Previous Balance:	1.0000 110412.05-								
Account No	Name	Allocation %	Rate	Read Dt	Value Stack Credit	Central Hudson Charges	ESCO Charges	Total Charges	Billed kW	Credit Applied I	Move-Out Date Admin Fee	Savings Rate	Sponsor Pmt
XXXX-XXXX-XXXX	xxxxxxxxxx	0.00128	EL02	20240116	-29.92					-29.92	-(.3 26.93	26.63
XXXX-XXXX-XXXX	xxxxxxxxxx	0.005	EL02	20240117	-116.88	945.76		1050.98	2352	-1050.98	-10.	945.88	935.37
xxxx-xxxx-xxxx	xxxxxxxxxx	0.00243	EL01	20231227	-56.81	105.15		105.15	459	-60.05	-(.6 54.05	53.45
XXXX-XXXX-XXXX	xxxxxxxxxx	0.00036	EL02	20231220	-8.42	49.46		49.46	13	-8.42	-0.	08 7.58	7.5
XXXX-XXXX-XXXX	xxxxxxxxxx	0.00188	EL02	20231226	-43.95	216.45		216.45	133	-43.95	-0.	14 39.56	39.12
										-27036.91	-270.	24333.32	24062.94
Host Value Stack Statement													
Energy:	8425.09-												
Capacity:	8369.47-												
Environmental:	6582.33-												
Community Credit:	0												
SC1 MTC:	0												
SC2 MTC:	0												
DRV:	0												

- In the example above the subscribers have a CDG Savings Rate of 10%
- The Sponsor Payment is listed and posted to the CDG Host Account.



Bill Examples-CDG

Net-Crediting

Account Number: Page 1 of 3

Customer Number:

Contact Us-

Email, "live chat" and other options: CentralHudson.com/ContactUs

Report an outage: CentralHudson.com, 845-452-2700 or text OUT to 236483

Natural gas odors: Call 911 or 1-800-942-8274

Fallen wires and other electrical hazards: Stay at least 30 feet away and call 911

Bill Summary-

Previous Billed Amount	\$103.64
Payment Since Last Bill - THANK YOU!	\$-103.64
Current Electric Charges	\$153.87
Billing Adjustments	\$-2.41

Total Amount Due Now

\$151.46

TOTAL ELECTRICITY COST

\$153.87

For this billing period, the average cost of energy we purchased for you was \$0.05893 per kWh (excluding taxes). You can use this number to compare our price to other suppliers' prices.

Payments and Adjustments—

	Payment Received	12/16/2024	\$-103.64
Т	Community Dist Generation	12/27/2024	\$-24.10
	CDG Subscription	12/27/2024	\$21.69

CDG (dual billed)

Account Number: Page 1 of 3

Customer Number:

Contact Us-

Email, "live chat" and other options: CentralHudson.com/ContactUs

Report an outage: CentralHudson.com, 845-452-2700 or text OUT to 236483

Natural gas odors: Call 911 or 1-800-942-8274

Fallen wires and other electrical hazards: Stay at least 30 feet away and call 911

Bill Summary

Previous Billed Amount	\$861.94
Payment Since Last Bill - THANK YOU!	\$-810.00
Current Flectric Charges	\$621.07
Billing Adjustments	\$-111.90

Total Amount Due Now

\$561.11

TOTAL ELECTRICITY COST

\$621.07

For this billing period, the average cost of energy we purchased for you was \$0.06457 per kWh (excluding taxes). You can use this number to compare our price to other suppliers' prices.

Payments and Adjustments————

Payment Received	12/20/2024	\$-810.00
Community Dist Generation	01/21/2025	\$-111.90



What's Next...



Questions?



Thank You!

