

**NIAGARA MOHAWK POWER CORPORATION
 VALUE OF DISTRIBUTED ENERGY RESOURCES (VDER)
 VALUE STACK CREDITS STATEMENT**

**FOR THE BILLING MONTH OF JANUARY 2018
 Applicable to Billings Under P.S.C. No. 220 Electricity**

**EFFECTIVE: DECEMBER 29, 2017 FOR BATCH BILLINGS
 EFFECTIVE: JANUARY 1, 2018 FOR CALENDAR MONTH BILLINGS**

For customers taking service under the Value Stack provision pursuant to Tariff Rule No. 40.2, Value of Distributed Energy Resources ("VDER"), of Schedule PSC No. 220 - Electricity

Value Stack Components

Energy Component

The Energy Component (\$/kWh) Day Ahead Market LBMP prices can be found on the NYISO website:
http://www.nyiso.com/public/markets_operations/market_data/pricing_data/index.jsp
 The NYISO prices will be adjusted for losses per Rule 39.18.1.1

Capacity Component	Alternative	Billed Rate
	1 (\$/kWh)	\$0.00111
	2 (\$/kWh)	\$0.12479
	3 (\$/kW)	\$0.27013

Environmental Component	Billed Rate
	(\$/kWh) \$0.02424

Demand Reduction Value (DRV)	Billed Rate
	(\$/kW-mo.) \$5.12

Company's Previous Year's Top Ten Peak Hours coincident with NYISO Peak

Day	Hour	Company Peak Demand (MW)
September 25, 2017	4pm-5pm	6,188
September 25, 2017	5pm-6pm	6,173
September 25, 2017	3pm-4pm	6,168
September 26, 2017	4pm-5pm	6,152
September 26, 2017	3pm-4pm	6,092
September 26, 2017	5pm-6pm	6,081
September 25, 2017	2pm-3pm	6,059
September 25, 2017	7pm-8pm	6,024
September 25, 2017	6pm-7pm	6,024
September 26, 2017	2pm-3pm	6,019

Service Classifications eligible to participate in Tariff Rule No. 40.2, Value of Distributed Energy Resources ("VDER"):
 Niagara Mohawk Power Company's SC-1, SC-1C, SC-2ND, SC-2D, SC-3, and SC-3A.

Rates shown above are exclusive of gross receipts taxes.

Issued by: Kenneth D. Daly, President, Syracuse, New York

Dated: December 22, 2017

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Value Stack Components (continued)

Locational System Relief Value (LSRV) **Billed Rate**
(\$/kw-mo.) **\$2.56**

As applied to the following substation locations:

Substation	MW remaining	Substation	MW remaining	Substation	MW remaining
PINE GROVE	13.10	LAWRENCE AVE.	1.10	CURRY RD.	0.00
COFFEEN	10.60	HINSDALE	1.02	GILMANTOWN RD	0.40
HOPKINS	10.10	CORLISS PARK	1.10	KARNER	0.30
MENANDS	7.75	PALOMA	1.00	JOHNSTOWN	0.30
WEIBEL AVE.	6.10	BUFFALO STATION 32	1.00	BUFFALO STATION 61	0.30
PINEBUSH	5.50	BUFFALO STATION 57	1.00	OAKFIELD	0.30
HUDSON	5.00	BUFFALO STATION 21	0.90	CUBA LAKE	0.20
EAST GOLAH	4.80	BOLTON	0.90	OGDEN BROOK	0.20
TEMPLE	3.90	SORRELL HILL	0.80	LORDS HILL	0.20
SALISBURY	3.60	E. PULASKI	0.79	HANCOCK	0.10
REYNOLDS	2.87	NILES	0.70	KNIGHTS CREEK	0.10
BATAVIA	2.40	ASH STREET	0.47	LANSINGBURGH	0.00
PETERBORO	2.40	DUGUID	0.50	SPRINGFIELD	0.10
MCKOWNVILLE	1.70	BARKER	0.50	MEXICO	0.10
PLEASANT	1.40	BEECH AVE 81	0.50	NORTH EDEN	0.10
BUFFALO STATION 74	1.30	SOUTHWOOD	0.50	WETHERSFIELD	0.10
BUFFALO STATION 53	1.30	GILBERT MILLS	0.40	WEST ALBION	0.10
NEWARK ST.	1.10	SHEPPARD RD.	0.40		

Market Transition Credit	Tranche		Billed Rate
S.C. Nos. 1 & 1-C	0/1	(\$/kWh)	\$0.02820
	2	(\$/kWh)	\$0.02290
	3	(\$/kWh)	\$0.01750
S.C. Nos. 2ND	0/1	(\$/kWh)	\$0.03770
	2	(\$/kWh)	\$0.03190
	3	(\$/kWh)	\$0.02610

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