

GENERAL INFORMATION

34. Distribution Load Relief Program (Cont'd)

C. Definitions (Cont'd)

Company Designated Area: An electrically defined area determined by the Company to be approaching system capacity limits during peak periods.

Contingency Event: A Load Relief Period lasting four or more hours for which the Company provides two or more hours' advance notice.

Direct Participant: A Customer who enrolls under this Program directly with the Company for a single account and agrees to provide at least 50 kW of Load Relief.

Electric Generating Equipment: (a) electric generating equipment that is served under Service Classification No. 10, Net Metering or Service Classification No. 11 and used to provide Load Relief under this Program; or (b) emergency electric generating equipment that is interconnected and operated in compliance with rules governing Emergency Generating Facilities used for self supply and used to provide Load Relief under this Program.

Immediate Event: A Load Relief Period lasting six or more hours for which the Company provides less than two hours' advance notice.

Load Relief: Power (kW) and energy (kWh): (a) ordinarily supplied by the Company that is displaced by use of Electric Generating Equipment and/or reduced by the Direct Participant or Aggregator at the Customer's premises; or (b) produced by use of Electric Generating Equipment by a customer taking service pursuant to Service Classification No. 10 and delivered by that Customer to the Company's distribution or transmission system during a Load Relief Period.

Load Relief Period: The hours for which the Company requests Load Relief during a Contingency Event or an Immediate Event. Load Relief will not be required of a Direct Participant or Aggregator after 12:00 AM or before 6:00 AM.

Test Event: The Company's request under the Reservation Payment Option, pursuant to section J.7 that Direct Participants and Aggregators provide one hour of Load Relief on not less than two hours' advance notice.

D. Load Relief Period Criteria and Notice

1. Criteria for Designating a Load Relief Period:

When the Company's control center declares an emergency or if any step in the Company's load relief procedures has been invoked, the Company may designate such period as a Load Relief Period. The Company may designate specific circuits, feeders or geographical areas in which Load Relief will be requested.

2. Notice of a Load Relief Period or Test Event:

The Company will notify Direct Participants and Aggregators by phone, email or machine-readable electronic signal, or a combination thereof, in advance of the commencement of a Load Relief Period or Test Event. The Direct Participant or Aggregator shall designate in writing an authorized representative and an alternate representative, and include an electronic address if applicable, to receive the notice. If an Aggregator is served under this Program, only the Aggregator will be notified of the Load Relief Period or Test Event. The Aggregator is responsible for notifying all of the customers within its respective aggregation group in the affected area(s).

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F. Applications and Term of Service

1. Applications for service under this program must be made electronically. Direct Participants and Aggregators may participate after the Company's receipt and approval of a completed application. The Company will accept an application by April 1 for a May 1 commencement date. However, if the application is received by April 1 and the Company does not bill the participant monthly using interval metering at the time of application, participation may commence on July 1 provided all conditions in section E are satisfied. For Summer 2015, Customers may sign up by the first of the month of June, July or August for a start date of the first of the subsequent month.

The desired commencement month must be specified in the application.

Applications will not be accepted after the specified date for participation during the current Capability Period. If the first of the month falls on a weekend or holiday, applications will be accepted until the first business day thereafter.

2. A Direct Participant or Aggregator may apply in writing to change the CBL Verification Methodology, to change the kW of pledged Load Relief, or to terminate service under this program for the upcoming Capability Period provided the request is received prior to commencing participation for that Capability Period. In order for a Direct Participant or Aggregator to increase its kW of contracted Load Relief, the Direct Participant's or Aggregator's most recent Performance Factor must be no less than 1.00.
3. Each application must state the kW of Load Relief that the Direct Participant or Aggregator contracts to provide for the Load Relief Period. The weather-adjusted CBL will be used as the CBL Verification Methodology for each account number enrolled, unless the application specifies that the average-day CBL is to be used for verification of performance. A single CBL Verification Methodology will be used for each customer to assess both energy (kWh) and demand (kW) Load Relief.
4. If a Direct Participant or Aggregator requests to operate Electric Generating Equipment for Load Relief purposes under this program, the application must state generator information, including the unit's serial number, nameplate rating, manufacturer, and date of manufacture, and the Company has approved the interconnection of such equipment. Furthermore, participants enrolled in a NYISO market-based program offered by the Company, NYPA or other entity, such as the Day-ahead Demand Response Program or the Demand-Side Ancillary Service Program, must provide the Company with their NYISO generator identification number, under a confidentiality agreement, and give the Company the ability to view their market participation activity. This information will be used to verify the times of participation in these other programs to prevent double-payment during concurrent events.
5. Direct Participants and Aggregators must meet the metering requirements specified in section E.
6. Customers who take service pursuant to a Net Metering option are not eligible to participate in this program.

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I. Voluntary Participation Option (Cont'd)

3. Payment for Direct Participants and Aggregators Participating in Other Programs
Performance Payments will not be made under this program if the Direct Participants or Aggregator (on behalf of its customer) receives payment for energy under any other demand response program (e.g., NYISO's Day-ahead Demand Reduction Program or NYISO's Special Case Resources Program) in which the customer is enrolled through the Company during concurrent Load Relief hours with the exception of the Company's Commercial System Relief Program. If a customer taking service pursuant to Service Classification No. 10 participates in the NYISO market through the Company and receives payment for energy during concurrent Load Relief hours, Performance Payments will be made under this program only for Load Relief in excess of the Customer's CBL, expressed in kWh. Payments will not be made for energy if service is taken under Net Metering.

J. Reservation Payment Option

1. Applicability
A Direct Participant or Aggregator will receive Reservation Payments if such Direct Participant or Aggregator agrees in writing to provide Load Relief for no less than four consecutive hours during each designated Load Relief Period up to six designated Load Relief Periods, during the effective Capability Period. For seven or more designated Load Relief Periods, the Direct Participant or Aggregator will receive payments under the Voluntary Option specified in Section I.
2. Reservation Payments
The Reservation Payment rate is \$2.75 per kW per month
Reservation Payments per month are equal to the applicable Reservation Payment rate per kW per month multiplied by the kW of contracted Load Relief multiplied by the Performance Factor for the month. Reservation Payments will be made under this Program independent of whether payments are made for capacity under any other program.
3. Bonus Payment
Bonus Hours: Bonus Hours commence in the fifth hour of a Load Relief Period that lasts five or more hours. Payment for Bonus Hours will be made if the Direct Participant or Aggregator provides Load Relief for five or more consecutive hours during the Load Relief Period, as follows:
The Bonus Payment rate is \$0.30 per kWh for each Bonus Hour of Load Relief provided
4. Performance Payments for Load Relief
The Company will make a payment of \$0.15 per kWh for each hour of Load Relief provided during the Load Relief Period, excluding Bonus Hours.

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J. Reservation Payment Option (Cont'd)

5. Performance Factor

- a. When a Contingency Event is called, the ratio is:
 - i. the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the first four hours of the Load Relief Period up to the kW of contracted Load Relief.
- b. When an Immediate Event is called, the ratio is:
 - i. the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the highest consecutive four hours during the first six hours of the Load Relief Period up to the kW of contracted Load Relief..
- c. When a Test Event is called, the ratio is:
 - i. the kW of Load Relief provided during the Test Hour by the Direct Participant or Aggregator up to the kW of contracted Load Relief.
- d. When more than one Contingency Event, Immediate Event and/or Test Event is called during the month, the Performance Factor is the average of the Performance Factors for the Direct Participant or the average of the Performance Factors for the Aggregator during that month. Where service is taken under this Program by an Aggregator, "the kW of contracted Load Relief" is measured on a portfolio basis by CBL Verification Methodology. The Performance Factor is rounded to two decimal places and has an upper limit of 1.00 and a lower limit of zero.
 - i. The Performance Factor for the month is used to calculate Reservation Payments for that month and each month thereafter until the month in which the next Test Event or Load Relief Period is called by the Company during the current or subsequent year's Capability Period.
 - ii. If the Direct Participant or Aggregator did not participate in the program during the prior Capability Period, and no Load Relief Periods or Test Events have been designated since the Direct Participant or Aggregator enrolled in the program, the Performance Factor at the end of the current month is assumed to be 1.00.

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34. Distribution Load Relief Program (Cont'd)

J. Reservation Payment Option (Cont'd)

6. Application of Payments

Reservation Payments will be calculated on a monthly basis. Payments will be made by bill credit, check or wire transfer.

7. Testing

The Company may require a Direct Participant or Aggregator to participate in one or more Test Events, each for a period not to exceed one hour, commencing at a time determined solely at the Company's discretion. The Company will give at least two hours' advance notice of the Test Event to the same representative or alternative representative that was designated in writing by the Direct Participant or Aggregator to receive notice of a Load Relief Period (pursuant to section D.2 of this Program).

The Company will make a payment for one hour of energy up to the contracted amount using the calculation specified in section J.5 of this Program for the Load Relief achieved.

35. Commercial System Relief Program

A. Applicability

Customers taking service under Service Classification Nos. 1, 2, 3, 6, 7, 8, 9, 10, 11, and 12, whether receiving electricity supply from the Company or an ESCO, unless the customer is required to participate in mandatory Hourly Pricing or voluntarily elects Hourly Pricing. Customers taking Standby Service and NYPA Customers who would otherwise be billed under one of the listed Service Classifications are also eligible.

B. Contracting for Distribution Load Relief Program Service

There are two options under this Program through which a Direct Participant or Aggregator may contract to provide Load Relief during Load Relief Periods designated by the Company: the Voluntary Participation Option and the Reservation Payment Option. This Program is applicable to Direct Participants and Aggregators who agree in writing to provide Load Relief under either the Voluntary Participation or Reservation Payment Option, during all Contracted Hours required for such Company Designated Area whenever the Company designates Planned Events during the Capability Period. Direct Participants and Aggregators may also agree to voluntarily provide Load Relief if an Unplanned Event is called.

A Direct Participant must contract to provide at least 50 kW of Load Relief. An Aggregator must contract to provide at least 100 kW of Load Relief.

If other requirements for service under this Program are met, Electric Generating Equipment may be used to participate under this Program subject to the provisions set forth in section D below. The participating Direct Participant or Aggregator is responsible for determining that the operation of the generating equipment under this Program will be in conformance with any governmental limitations on operation.

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35. Commercial System Relief Program (Cont'd)

C. Definitions

The following terms are defined for purposes of this Program only:

Aggregator: A party other than the Company that represents and aggregates the load of Customers who collectively have a Load Relief potential of 100 kW or greater in a Company Designated Area and is responsible for the actions of the Customers it represents, including performance and, as applicable, performance adjustments, penalties, and repayments to the Company.

Capability Period: The period during which the Company can request Load Relief. The Capability Period shall be from May 1 through September 30.

CBL: The customer baseline load as calculated under the Company's Customer Baseline Load methodology, using either the weather-sensitive adjustment option (the "weather adjusted CBL") or the average-day CBL. The Customer Baseline Load methodology will be described in the Company's baseline operating procedure, which will be published on the Company's website.

CBL Verification Methodology: The methodology used by the Company to verify the actual Load Relief provided (kW and kWh) during each hour of each designated Load Relief Period and Test Event.

Actual load levels are compared to the customer baseline loads to verify whether the Direct Participant or Aggregator provided the kW of contracted Load Relief; provided, however, that the Company may estimate the data pursuant to the Company's operating procedure if data is not available for all intervals. When the weather-adjusted CBL methodology is used and the calculated weather adjustment falls outside of Company defined ranges (i.e., the Company deems the weather to be atypical on the day of a Load Relief Period or Test Event when compared to the baseline period), the Company may review and revise a participant's baseline based on the Customer's historical load data. When the weather-adjusted CBL methodology is used, the Company, at its own discretion, may select alternate hours for the adjustment period to calculate the weather adjustment factor in order to accurately reflect the customer's typical usage.

Contracted Hours: The four-hour period within a weekday, Monday through Friday during the Capability Period excluding federal holidays, during which the Direct Participant or Aggregator contracts to provide Load Relief in a Company Designated Area whenever the Company designates a Planned Event.

Direct Participant: A Customer who enrolls under this Program directly with the Company for a single Company account and agrees to provide at least 50 kW of Load Relief.

Electric Generating Equipment: (a) electric generating equipment that is served under Service Classification No. 11, Net Metering or Service Classification No. 10 and used to provide Load Relief under this Program; or (b) emergency electric generating equipment that is interconnected and operated in compliance with rules governing Emergency Generating Facilities used for self supply and used to provide Load Relief under this Program.

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35. Commercial System Relief Program (Cont'd)

J. Reservation Payment Option

1. Payments

a. Reservation Payments

Direct Participants and Aggregators will receive Reservation Payment for each Capability Period month in which they are enrolled. The Reservation Payment rate per kW is based on the number of cumulative Planned Events for which the Direct Participant or Aggregator was asked to provide Load Relief during the Capability Period, as follows:

For NYSEG-East and West customers the payment rate is \$1.50 per kW per month in months in which, as of the last day of such month, the Company asked the Direct Participant or Aggregator to provide Load Relief for four or fewer cumulative Planned Events since the current Capability Period commenced. The payment rate is \$1.75 per kW per month in months in which, as of the last day of such month, the Company asked the Direct Participant or Aggregator to provide Load Relief for five or more cumulative Planned Events since the current Capability Period commenced.

For NYSEG-Lower Hudson customers the payment rate is \$3.50 per kW per month in which, as of the last day of such month, the Company asked the Direct Participant or Aggregator to provide Load Relief for four or fewer cumulative Planned Events since the current Capability Period commenced. The payment rate is \$3.75 per kW per month commencing in the month in which, as of the last day of such month, the Company asked the Direct Participant or Aggregator to provide Load Relief for five or more cumulative Planned Events since the Capability Period commenced.

The Reservation Payment per month is equal to the applicable Reservation Payment rate per kW per month multiplied by the kW of contracted Load Relief multiplied by the Performance Factor.

b. Payment for Participation during Unplanned Events

A Direct Participant or Aggregator will receive payment for performance during each Unplanned Event, provided the Company can verify that the Direct Participant or Aggregator provided Load Relief.

For NYSEG-East and West customers the payment rate is \$0.10 per kWh for a Load Relief Period in which Load Relief was provided for each hour during the Load Relief Period.

For NYSEG-Lower Hudson customers the payment rate is \$0.15 per kWh for a Load Relief Period in which Load Relief was provided for each hour during the Load Relief Period.

This payment is not available to Distribution Load Relief Program (Rule 34) participants who receive payment for energy during concurrent Load Relief hours.

c. Performance Payments for Load Relief

Except as specified in section I, the Company will make a payment to a Direct Participant or Aggregator who provides Load Relief during a Planned Event or Test Event.

For NYSEG-East and West customers the Performance Payment rate is \$0.10 per kWh.
For NYSEG-Lower Hudson customers the Performance Payment rate is \$0.15 per kWh.

The Performance Payment amount paid per event is equal to the Performance Payment rate per kWh multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.