Carol Teixeira
NY Electric Pricing Manager

nationalgrid

November 1, 2022

VIA ELECTRONIC MAIL

Honorable Michelle Phillips, Secretary
State of New York
Public Service Commission
Office of the Secretary
Three Empire State Plaza
Albany, NY 12223

RE: Case 14-E-0423 – Proceeding on Motion of the Commission to Develop Dynamic Load Management Programs.

Case 15-E-0189 – Proceeding on Motion of the Commission to Develop Dynamic Load Management Programs - Tariff Filings to Effectuate Dynamic Load Management Programs.

Dear Secretary Phillips:

The attached draft leaves on Attachment A hereto are being issued by Niagara Mohawk Power Corporation d/b/a/ National Grid ("National Grid" or the "Company") in compliance with the Commission's *Order Adopting Program Changes with Modification and Making Other Findings* ("Order") in Cases 14-E-0423 *et al*. issued April 23, 2018.

Reason for Filing

The Order directed the Company to file draft tariff amendments to effectuate dynamic load management ("DLM") program tariff changes by November 15 of each year.

Attachment A contains draft redlined leaves to show certain proposed changes to the program for the 2023 capability period. There are no proposed changes to the current DLM incentives.

The tariff change included in Attachment A of this filing is to update certain provisions regarding the Performance Factor in the Distribution Load Relief Program and the Commercial System Relief Program on Leaf 263.14 and Leaf 263.17, respectively.

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National Grid is respectfully requesting waiver of Public Service Law §66(12)(b) regarding the requirement of newspaper publication for these revisions since these revisions are in draft format and are subject to Commission review and approval.

Very truly yours,

/s/ Carol Teixeira

Carol Teixeira
Manager,
New York Electric Pricing

Enc.

cc:

Marco Padula, DPS Staff, w/enclosure (via electronic mail)
Robert Cully, DPS Staff, w/enclosure (via electronic mail)
Paul Darmetko, DPS Staff, w/enclosure (via electronic mail)
Mary Ann Sorrentino, DPS Staff, w/enclosure (via electronic mail)
Michael Summa, DPS Staff, w/enclosure (via electronic mail)
Allison Manz, DPS Staff, w/enclosure (via electronic mail)
Jane Wang, DPS Staff, w/enclosure (via electronic mail)
Kellie Smith, w/enclosure (via electronic mail)
Janet Audunson, w/enclosure (via electronic mail)
Michael Smith, w/enclosure (via electronic mail)
Sara Robarge-Trombley, w/enclosure (via electronic mail)
Julie Hawkins, w/enclosure (via electronic mail)

GENERAL INFORMATION

61. DISTRIBUTION LOAD RELIEF PROGRAM (Continued)

61.6.2 If the Company determines that a Direct Participant, Aggregator or customer of an Aggregator failed to cooperate fully and promptly with the review and/or did not fully comply with the provisions of this Program and/or provided inaccurate data, the Direct Participant, Aggregator or the customer of the Aggregator will be deemed ineligible to participate in the Program until the issue is rectified. In addition, the Direct Participant or Aggregator will be required to make prompt repayment to the Company of any payments that were made to such Direct Participant or Aggregator, on behalf of its customers, for the Capability Period that was reviewed as well as the current Capability Period, if different.

61.7 Aggregation

61.7.1 All customers of an Aggregator must meet the metering and telecommunications requirements of this Program and the requirements of Rule 25 and Rule 61.4.

61.7.2 An Aggregator is responsible for the compliance of all customers it enrolls and will be liable for performance, including, as applicable, repayments to the Company.

61.8 Reservation Payment Option

61.8.1 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, for up to six designated Load Relief Periods, during the effective Capability Period. For the seventh designated Load Relief Period and any subsequent designated Load Relief Period(s), the Direct Participant or Aggregator shall receive Performance Payments for voluntary participation.

61.8.2 Reservation Payments: 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.

61.8.4 Performance Payments: A Direct Participant or Aggregator will receive a Performance Payment for each hour of Load Relief provided during the Load Relief Period. The Performance Payment amount paid per event is equal to the Performance Payment rate in dollars per kWh multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.

61.8.5 Performance Factor

61.8.5.1 The Performance Factor, when a Contingency Event is called, is the ratio of 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, and ii) the kW of contracted Load Relief. The Performance Factor shall be rounded to two decimal places, and in no event shall be greater than 1.00. If the calculated Performance Factor is less than or equal to 0.25, then it will be set to 0.00.

61.8.5.2 The Performance Factor, when an Immediate Event is called, is the ratio of 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, and ii) the kW of contracted Load Relief. The Performance Factor shall be rounded to two decimal places, and in no event shall be greater than 1.00. If the calculated Performance Factor is less than or equal to 0.25, then it will be set to 0.00.

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GENERAL INFORMATION

62. COMMERCIAL SYSTEM RELIEF PROGRAM (Continued)

"CBL Verification Methodology" means 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, or an approved alternate CBL methodology, 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" refers to the four-hour period within a weekday, Monday through Friday, during the Capability Period, excluding Holidays, during which the Direct Participant or Aggregator contracts to provide Load Relief whenever the Company designates a Planned Event.

"Direct Participant" is 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. If the customer wishes to enroll multiple customer accounts within the Company's service territory that collectively have a Load Relief potential of 50 kW or greater, each account must meet the terms of service under this Program. Performance of multiple customer accounts will be measured on a portfolio basis.

"Electric Generating Equipment" is the: (a) electric generating equipment, including technologies that can be exported, at the premises of an eligible customer used to provide Load Relief under this Program; or (b) emergency electric generating equipment that is interconnected and operated in compliance with the Company's Standard Interconnection Requirements and used to provide Load Relief under this Program.

"Load Relief" is the demand (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 customers' premises; or (b) produced by use of Electric Generating Equipment at the premise of an eligible customer and delivered by that customer to the Company's delivery system during a Load Relief Period.

"Load Relief Period" refers to the hours for which the Company requests Load Relief when it designates a Planned Event or an Unplanned Event.

"Lost Reservation Payment" is the payment the Company will make to the Direct Participant or Aggregator when the Company misses the installation timeframe for the Reservation Payment Option, unless the meter delay was caused by a reason outside the Company's control.

"Performance Factor" is the ratio of: (i) the average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the requested hours, up to the kW of contracted Load Relief to (ii) the kW of contracted Load Relief when a Planned Event or Test Event is called. The calculated Performance Factor will be established for the month of the Planned Event or Test Event and will remain in effect for successive months until the next Test Event or Load Relief Period is called during the current or subsequent year's Capability Period. The Performance Factor will be rounded to two decimal places, and in no event will be greater than 1.00. If the Performance Factor as calculated is below or equal to 0.25, then it will be set to 0.00. If, during the prior Capability Period, an Aggregator did not participate in this Program or if a Direct Participant either did not participate in this Program or participated in this Program through an Aggregator, the Performance Factor will be set to 0.50 in the current Capability Period and will remain at that level until the first month in which a Load Relief Period or Test Event is called. The Performance Factor determined for that month will be applied retroactively, starting with the enrollment month, to true-up the Reservation Payments for the prior month(s).

GENERAL INFORMATION

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PSC NO. 220 ELECTRICITY LEAF: 263.17
NIAGARA MOHAWK POWER CORPORATION REVISION: 8~~7~~
INITIAL EFFECTIVE DATE: ~~MAY 26, 2020~~ SUPERSEDING REVISION: 7~~6~~
STAMPS: Issued in Compliance with Order issued March 20, 2020 in Case 15-E-0189.

GENERAL INFORMATION

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