

PSC NO. 220 ELECTRICITY  
 NIAGARA MOHAWK POWER CORPORATION  
 INITIAL EFFECTIVE DATE: JUNE 1, 2016  
 STAMPS: Issued in Compliance with Order issued May 23, 2016 in Case 15-E-0189.

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 REVISION: 2  
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## GENERAL INFORMATION

### 61. DISTRIBUTION LOAD RELIEF PROGRAM (Continued)

61.4.3 The Company will install interval metering within 21 business days of the later of the Company's receipt of an applicant's payment for an upgrade to interval metering and: (i) evidence that a request has been made to the telephone carrier (e.g., receipt of a job number) to secure a dedicated phone line for a meter with landline telecommunications capability or (ii) the active Internet Protocol ("IP") address that the wireless carrier has assigned to the modem's ESN for a meter with wireless capability. If the Company misses the installation timeframe for the Reservation Payment Option, it will make a "Lost Reservation Payment" to the Direct Participant or Aggregator, unless the meter delay was caused by a reason outside the Company's control, such as the telephone company's failure to install a landline or, if, at the Company's request, the Commission grants the Company an exception due to a condition such as a major outage or storm. A Lost Reservation Payment will be calculated by determining the number of months between the earliest month in which the customer could have begun participation had the meter been installed within the required timeframe (assuming the Company's acceptance of a completed application and receipt of payment for the meter upgrade) and the first month following the completed installation, and multiplying that number by the pledged kW and associated per-kW Reservation Payment Rate.

61.4.4 The customer shall be responsible for all metering and communication devices and associated costs as prescribed above and in accordance with Rule 25 of the Tariff.

### 61.5 Applications and Terms of Service

61.5.1 Customers must enroll by completing Form DLRP to participate in this Program. Direct Participants and Aggregators may participate after the Company's receipt of a completed application and written notification from the Company of application acceptance. The Company will accept applications by April 1 for a May 1 commencement date, and by May 1 for a June 1 commencement date. If the Company does not bill the participant monthly using interval metering at the time of application, participation in the Reservation Payment Option will not commence unless both interval metering and communications are operational. If the Company receives a completed application by April 1, service can commence on May 1 if the interval metering is installed by April 1 and meter communications are operational by April 30. If the Company receives a completed application by May 1, service can commence on June 1 if the interval metering is installed by May 1 and meter communications are operational by May 31. If the application is received by May 1, but the above deadlines for installation of interval metering and meter communications are not met, service will commence on July 1 provided the interval metering is installed by June 1 and meter communications are operational by June 30. For the summer 2016 capability period only, the Company will accept applications until May 25, 2016 for a June 1, 2016 commencement date provided that providing the metering and meter communications are in place at the time of application. Also for the summer 2016 capability period only, the Company will accept applications from May 26, 2016 until and June 15, 2016 for a July 1, 2016 commencement date, provided that providing the metering is installed by June 15, 2016 and the meter communications are in place by June 30, 2016 at the time of application

61.5.1.1 The desired commencement month must be specified in the application.

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

~~61.5.1.3 The Company will accept applications for participation in the Voluntary Participation Option at any time provided the metering and communications requirements specified in 61.4 are met.~~

61.5.1.3 The Company will accept applications for participation in the Voluntary Participation Option at any time provided the metering and communications requirements specified in 61.4 are met.

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## 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 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.  
~~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 during the effective Capability Period.~~

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.

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.

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## GENERAL INFORMATION

### 61. DISTRIBUTION LOAD RELIEF PROGRAM (Continued)

61.8.5.3 The Performance Factor, when a Test Event is called, is the ratio of i) the kW of Load Relief provided by the Direct Participant or Aggregator during the test hour and ii) the kW of contracted Load Relief.

61.8.5.4 When more than one Planned Event and/or Test Event is called during the month, the average of the Performance Factors of all events for a Direct Participant or Aggregator is the Performance Factor for that month.

61.8.5.5 Direct Participants and Aggregators may increase the kW of contracted Load Relief in subsequent Capability Periods above their previously contracted kW of Load Relief, provided their most recent Performance Factor was 1.00. The Performance Factor is rounded to two decimal places.

61.8.5.6 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 0.5 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).

61.8.6 Application of Payments - Reservation Payments, Performance Payments and Penalties under this Rule 61.8 will be calculated on a monthly basis. Payments will be made by bill credit, check, or wire transfer. Payments will be made within sixty (60) days following the end of the applicable Load Relief month.

#### 61.8.7 Testing:

61.8.8.7.1 Once during each Capability Period, the Company may require a Direct Participant or Aggregator to participate in a Test Event, 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.

61.8.8.7.2 The Company will make a payment for one hour of energy for the Load Relief achieved up to the contracted amount, as specified in section 61.8.4.

## 61.9 Voluntary Participation Option

### 61.9.1 Payments

61.9.1.1 Except as specified in Rule 61.9.2, the Company will make Performance Payments to a Direct Participant or Aggregator participating in the Voluntary Participation Option for Load Relief provided during a designated Load Relief Period.

61.9.1.2 The Performance Payment amount paid per event is equal to the applicable Payment Rate for the Voluntary Participation Option multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.

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#### GENERAL INFORMATION

#### 61. DISTRIBUTION LOAD RELIEF PROGRAM (Continued)

61.9.1.3 Payment for Direct Participants and Aggregators Participating in Other Programs – Performance Payments will not be made under this Program if the Direct Participant or Aggregator (on behalf of its customers) receives payment for energy under Rule 54, 55, or 62, or from any other Company, third party, or NYISO demand response program (e.g., NYISO Special Case Resource (“SCR”) Program, or any successor Company program to the NYISO’s SCR Program).

#### 61.9.2 Application of Payments

61.9.2.1 The Company will make payment to a Direct Participant or Aggregator, after the end of the Program year, for the sum of the payments due for all Load Relief Periods in the Capability Period. Payments will be made by bill credit, check, or wire transfer.

#### 61.10 Rate Statements

61.10.1 The Distribution Load Relief Program rates shall be shown on the Demand Response Incentive Statement filed with the Public Service Commission not less than 60 days before their effective date.

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## GENERAL INFORMATION

### 62. COMMERCIAL SYSTEM RELIEF PROGRAM

Purpose: The Commercial System Relief Program is being offered by the Company in response to the Commission's order in Case 14-E-0423. This Program will enable participating eligible customers to be compensated for reducing their load under certain conditions when called upon by the Company to do so.

#### 62.1 Contracting for Commercial System Relief Program Service

Eligible customers must be served under Service Classification Nos. 1, 1C, 2, 3, 3A, 4, 7, and 12, ~~served at secondary and primary voltage levels only.~~ Customers must install interval metering in accordance with Rule 62.5 or have existing interval metering that conforms to the requirements of Rule 62.5 to participate in this Program.

There are two options under this Program through which a Direct Participant or Aggregator may participate to provide Load Relief during Load Relief Periods designated by the Company: 1) the Voluntary Participation Option and, 2) the Reservation Payment Option. This Program is applicable to Direct Participants and Aggregators who apply and are accepted by the Company under either the Voluntary Participation or Reservation Payment Option, during all Contracted Hours required 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 50 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 Rule 62.3 below. The participating Direct Participant or Aggregator is responsible for determining that the operation of the Electric Generating Equipment under this Program will be in conformance with any governmental limitations on such operation.

Customers who take service under Rule 36 and Rule 37 are not eligible to participate in this Program.

#### 62.2 Definitions - the following terms are defined for purposes of this Program only:

"Aggregator" refers to a party other than the Company that represents and aggregates the load of eligible customers who collectively have a Load Relief potential of 50 kW or greater 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" under this Program refers to the period during which the Company can request Load Relief. The Capability Period shall be from May 1 through September 30.

"CBL" means 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 is described in the Company's baseline operating procedure, which is published on the Company's website.

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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, 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.

“Electric Generating Equipment” is the: (a) electric generating equipment 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 distribution 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.

“Planned Event” is the Company's request, on not less than 21 hours' advance notice, for Load Relief during the Contracted Hours. Planned Events may be called when the Company's day-ahead forecasted load level is at least 97 percent of the Company's forecasted summer system-wide peak.

“Test Event” refers to the Company's request under the Reservation Payment Option specified in Rule 62.9 for Direct Participants and Aggregators to provide one hour of Load Relief, within the four-hour span of Contracted Hours, on not less than 21 hours' advance notice.

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## GENERAL INFORMATION

### 62. COMMERCIAL SYSTEM RELIEF PROGRAM (Continued)

“Reservation Payment Option” customers who enroll under this option agree to provide a specified amount of load reduction during demand response events, and will receive a set dollar per kilowatt (kW) payment per month for the summer capability period, regardless of whether or not the utility calls its demand response program.

“Unplanned Event” is the Company’s request for Load Relief: (a) on less than 21 hours’ advance notice; or (b) for hours outside of the Contracted Hours.

“Voluntary Participation Option” is the payment option the customer will be enrolled in if they do not elect to participate under the “Reservation Payment Option.” Customers will only receive payment for actual load reductions during demand response events under this option.

### 62.3 Applications and Term of Service

62.3.1 Customers must enroll by completing Form CSRP to participate in this Program. Direct Participants and Aggregators may participate after the Company’s receipt of a completed application and written notification from the Company of application acceptance. The Company will accept applications by April 1 for a May 1 commencement date, and by May 1 for a June 1 commencement date. If the Company does not bill the participant monthly using interval metering at the time of application, participation in the Reservation Payment Option will not commence unless both interval metering and communications are operational. If the Company receives a completed application by April 1, service can commence on May 1 if the interval metering is installed by April 1 and meter communications are operational by April 30. If the Company receives a completed application by May 1, service can commence on June 1 if the interval metering is installed by May 1 and meter communications are operational by May 31. If the application is received by May 1, but the above deadlines for installation of interval metering and meter communications are not met, service will commence on July 1 provided the interval metering is installed by June 1 and meter communications are operational by June 30. For the summer 2016 capability period only, the Company will accept applications until May 25, 2016 for a June 1, 2016 commencement date provided that the metering and meter communications are in place at the time of application. Also for the summer 2016 capability period only, the Company will accept applications from May 26, 2016 until and June 15, 2016 for a July 1, 2016 commencement date, provided that the metering is installed by June 15, 2016 and the meter communications are in place by June 30, 2016 at the time of application.

62.3.1.1 The desired commencement month must be specified in the application.

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

62.3.1.3 The Company will accept applications for participation in the Voluntary Participation Option at any time provided the metering and communications requirements specified in 62.5 are met.



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#### GENERAL INFORMATION

#### 62. COMMERCIAL SYSTEM RELIEF PROGRAM (Continued)

62.9.1.1.2 The payment rate is calculated in dollars 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.

62.9.1.1.3 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.

#### 62.9.1.2 Performance Payments for Participation during Planned Events and Test Events

62.9.1.2.1 Except as specified in Rule 62.8, the Company will make a payment to a Direct Participant or Aggregator who provides Load Relief during the Contracted Hours of a Planned Event or Test Event.

62.9.1.2.2 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 in the Planned or Test Event.

#### 62.9.1.3 Performance Payment for Participation during Unplanned Events

62.9.1.3.1 Except as provided in Rule 62.8, 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.

62.9.1.3.2. The performance payment amount paid is equal to the performance payment rate in dollars per kWh multiplied by the sum of the actual load relief provided for the hours of the Unplanned Event.

#### 62.9.1.3.3 Performance Factor

62.9.1.3.3.1 When more than one Planned Event and/or Test Event is called during the month, the average of the Performance Factors of all events for a Direct Participant or Aggregator is the Performance Factor for that month.

62.9.1.3.3.2 Direct Participants and Aggregators may increase the kW of contracted Load Relief in subsequent Capability Periods above their previously contracted kW of Load Relief, provided their most recent Performance Factor was 1.00. The Performance Factor is rounded to two decimal places. ~~If the Direct Participant or Aggregator does not have a historical Performance Factor, the Performance Factor is 1.00.~~

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## GENERAL INFORMATION

### 62. COMMERCIAL SYSTEM RELIEF PROGRAM (Continued)

62.9.1.3.3.3 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 0.5 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).

#### 62.9.1.3.4 Application of Payments

62.9.1.3.4.1 Reservation Payments, Performance Payments, and Penalties under this Rule 62.9 will be calculated on a monthly basis. Payments will be made by bill credit, check, or wire transfer. Payments will be made within sixty (60) days following the end of the applicable Load Relief month.

#### 62.9.1.3.5 Testing

62.9.1.3.5.1 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, but within the Contracted Hours.

62.9.1.3.5.2 The Company will make a payment for one hour of energy for the Load Relief achieved up to the contracted amount, as specified above in Rule 62.9.1.2. A Direct Participant or Aggregator who fails the Test will be subject to the Penalties described above in Rule 62.9.1.4.4.1.

## 62.10 Voluntary Participation Option

### 62.10.1 Performance Payments

62.10.1.1 Except as specified in Rule 62.8, the Company will make Performance Payments to a Direct Participant or Aggregator participating in the Voluntary Participation Option for Load Relief provided during a Load Relief Period.

62.10.1.2 The payment rate for Load Relief is as follows:

62.10.1.2.1 Dollars per kWh for Load Relief provided during a Planned Event; or

62.10.1.2.2 Dollars per kWh for Load Relief provided during an Unplanned Event.

~~62.10.1.2.3 The Performance Payment amount paid per event is equal to the applicable Payment Rate multiplied by the average hourly kWh of Load Relief provided during the event multiplied by the number of event hours.~~

Issued by Kenneth D. Daly, President, Syracuse, NY

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#### GENERAL INFORMATION

#### 62. COMMERCIAL SYSTEM RELIEF PROGRAM (Continued)

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

#### 62.10.2 Application of Payments

62.10.2.1 The Company will make payment to a Direct Participant or Aggregator, for payments under this Rule 62.10, after the end of the Program year, for the sum of the payments due for all Load Relief Periods in the Capability Period. Payments will be made by bill credit, check, or wire transfer.

#### 62.11 Rate Statements

62.11.1 The Commercial System Relief Program rates shall be shown on the Demand Response Incentive Statement filed with the Public Service Commission not less than 60 days before their effective date.

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### GENERAL INFORMATION

#### 63. DIRECT LOAD CONTROL PROGRAM

Purpose: The Direct Load Control Program is being offered by the Company in response to the Commission's order in Case 14-E-0423. This Program will allow the Company to remotely control the customer's Control Device to reduce the customer's load during an Event. Customers participating in this Program must have load controllable equipment and install a Control Device.

63.1 Eligible Customers must be served under Service Classification Nos. 1, 1C, 2, 3, 3A, 4, 7, or 12, served at secondary and primary voltage level only.

63.2 **Definitions** - the following terms are defined for purposes of this Program only:

"Capability Period" is the period from May 1 through September 30 of any Program year, during which the Company can remotely control the participating customer's equipment.

"Company Designated Area" is an area, designated by the Company, which is an electrically distressed part of the electric distribution system. Company Designated Areas will be published on the Company's website.

"Control Device" is a device installed on the customer's load controllable equipment via a smart plug or embedded control that allows the Company to remotely control the equipment when an Event is called. For purposes of this Program, Control Device means one or more devices as may be required to control the equipment. Each Control Device contains a feature that allows the customer to override the Company's control of the customer's equipment. If the Customer is located in a Designated Area, the Customer may, at the company's discretion, have the option to have the Control Device provided, installed, and connected to the Internet by the Company or its designated contractor. Otherwise, the Control Device must be provided, installed and connected to the Internet by the Customer or its Service Provider and the Control Device must be able to communicate with National Grid's control system. A list of Company approved devices will be published on the Company's website.

An "Event" may be declared by the Company when:

- 1) ~~4~~ The NYISO declares an emergency in conjunction with an in-day peak hour forecast response to an operating reserve peak forecast shortage or in response to a major state of emergency as defined in Rule 3.2 of the NYISO Emergency Operations Manual, or at the NYISO's discretion to relieve system or zonal emergencies;
- ~~2~~ ~~2~~ The NYISO activates its Special Case Resources Program in response to a  
~~3~~ ~~2~~ forecast peak operating reserve shortfall; or
- ~~3~~ ~~1~~ The Company determines that a peak may occur and/or Company identified stressed equipment will exceed its limits.
- ~~4~~ ~~3~~ The Company declares a need for emergency or non-emergency relief, as described by 40 CFR 63.6640 subparts 2 and 4, or when a voltage reduction of five percent or greater has been ordered, or when ~~the~~ Company determines that system peak conditions are likely to occur ~~on specific substations, feeders, or geographical areas. are likely to occur.~~

"Service Provider" means a provider registered with, and approved by, the Company to develop, maintain, and operate a communications portal that enables Internet-connected Control Devices to participate under this Program. A list of current Service Providers is available on the Company's website.