

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: December 1, 2003

Leaf No. 115
Revision: 0
Superseding Revision:

GENERAL INFORMATION

21. C.A.\$H.BACK Program: (Cont'd.)

ADDITIONAL METERING:

The customer shall have installed the necessary equipment, including interval metering at each participating meter location. A participating customer with a generator also will require a separate interval meter to verify curtailment is not supplied by that generator. Such metering will be installed, controlled, operated and maintained by the Company at the customer's expense. Participating customers will be responsible for only those metering costs not covered by discounts provided by NYSERDA, or any other non-NYSEG source. Regardless of which Demand Reduction Provider the customer may choose, the Company may require installation of additional communication equipment, and an internet based software subscription service necessary for the determination of CBL and for the administration of this and any other curtailment program (e.g., Emergency Demand Response Program). This subscription service will also provide the customer with the ability to review and monitor their energy consumption patterns on a daily basis. The customer is responsible for making adequate arrangements with their telecommunications provider for communication equipment. NYSEG's monthly charge for the software subscription service is \$40 per month. Customers receiving metering from competitive metering providers may participate in this program using metering equipment and communications capabilities that the Company has determined can provide the necessary hourly interval usage data.

DETERMINING AMOUNT OF LOAD REDUCTION:

The amount of actual Real-Time curtailment will be equal to the CBL less the actual Real-Time consumption during the specified curtailment period, as verified by the NYISO.

PAYMENT SHARING & PENALTIES:

The customer will receive a bill credit for an accepted bid under this program equal to at least 90% of the NYISO Demand Reduction payment for the customer's accepted and scheduled curtailment. More specifically, NYSEG will pay the customer 90% of the demand reduction payment which is based on scheduled curtailment, and then charge the customer for any imbalance charge/penalty. The NYISO Day-Ahead Demand Reduction Program Manual specifies a non-performance penalty of 110%. Any charges or penalties assessed by the NYISO to NYSEG for a customer's failure to curtail load will be fully passed through to the customer.

OTHER TERMS AND CONDITIONS:

This program will be periodically evaluated for potential modifications and improvements. Modifications will be filed and approved by the PSC prior to the next capability period.

Customers taking service under NYSEG's interruptible special provision are only eligible for payments for verified curtailment of their contracted non-interruptible load.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Binghamton, New York