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SERVICE CLASSIFICATION NO. 11

GENERAL SERVICE -ECONOMIC DEVELOPMENT (Cont'd)

NYISO EMERGENCY DEMAND RESPONSE PROGRAM RIDER (CONT'D)

c) Rates and Payments

Customers taking service under this Rider shall pay the rates and charges that would otherwise be applicable under this service classification and shall be subject to all other terms and conditions of this service classification. The Company shall make payment for load reductions to a Customer taking service under this Rider and for which the Company can verify load reduction during the Emergency Demand Response Periods. Upon Company verification of load reduction, the Company shall pay the Customer at least 90% of the NYISO payment for each event. The NYISO payment shall be the higher of \$500 per MWh or the zonal real-time Locational-Based Marginal Price (LBMP) per MWh of demand reduced. If NYISO activates the EDRP for four hours or less, the NYISO shall pay the higher of \$500 per MWh or the zonal real-time LBMP per Mwh of demand reduced, for the duration of the EDRP activation or two hours, whichever is greater.

The load reduction in each hour for which payment shall be made under this Rider shall be measured in accordance with the CBL methodology contained in the NYISO EDRP Operating Manual.

d) Metering and Meter Data Provision

The customer shall have installed the necessary equipment, including interval metering at each participating meter location. A participating customer with a generator also shall require a separate interval meter to verify curtailment is not supplied by that generator. Such metering shall be installed, controlled, operated and maintained by the Company at the customer's expense. Participating customers shall be responsible for only those metering costs not covered by discounts provided by NYSERDA, or any other non-Company 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 shall also provide the customer is responsible for making adequate arrangements with their telecommunications provider for communication equipment. The Company'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.

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