

PSC No: 120 - Electricity  
New York State Electric & Gas Corporation  
Initial Effective Date: June 1, 2016  
Issued in Compliance with Order in Case 14-E-0423, dated June 18, 2015

Leaf No. 117.46.16  
Revision: 1  
Superseding Revision: 0

#### GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

J. Reservation Payment Option (Cont'd)

4. Bonus Payment

The Company shall make a Bonus Payment per kWh for the fifth and subsequent hours of Load Relief provided during the Load Relief Period.

The Bonus Payment is \$0.30 per kWh.

5. Performance Factor

- a) When a Planned Event is called, the Performance Factor is:
  - i. The quotient of average hourly kW of Load Relief provided by the Direct Participant or Aggregator during the first four hours of the Load Relief Period and up to the kW of contracted Load Relief.
- b) When an Unplanned Event is called, the Performance Factor is:
  - i. The quotient of 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 and up to the kW of contracted Load Relief.
- c) When a Test is called, the Performance Factor is:
  - i. The quotient of 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 Planned Event, Unplanned Event and/or Test 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.
  - 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 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 Tests have been designated since the Direct Participant or Aggregator enrolled in the program, payment for the current month shall be made based on an assumed Performance Factor of 0.50. A subsequent true-up shall be made once an actual Performance Factor is established either via a Test or Load Relief Event. The true-up may result in a credit or a charge to the participant.
- e) The performance factor is truncated to two decimal places and has an upper limit of 1.00 and a lower limit of 0.00.

6. Application of Payments

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

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