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GENERAL INFORMATION

35. Commercial System Relief Program (Cont'd)

J. Reservation Payment Option

Applicability 1.

> Direct Participants and Aggregators shall receive a Reservation Payment for each Capability Period month in which they are enrolled. The Reservation Payment rate per kW is based on the number of cumulative Planned Events for which the Direct Participant or Aggregator was asked to provide Load Relief during the Capability Period.

2. 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 shall be made under this Program based on the number of Events called during the month.

The Reservation Payment rate is \$2.75 per kW per month for up to four Events per month.

The Reservation Payment rate is \$3.00 per kW per month if five or more Events are called in the month.

3. Performance Payments for Load Relief

The Company shall make a Performance Payment per kWh for the first four hours of Load Relief provided during the Load Relief Period.

The Performance Payment is \$0.15 per kWh.

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