PSC NO: 10 – Electricity Consolidated Edison Company of New York, Inc. Initial Effective Date: 07/16/2014 Issued in compliance with order in Case 13-E-0573 dated 06/27/2014

Leaf:	265
Revision:	3
Superseding Revision:	2

GENERAL RULES

24. Service Classification Riders (Available on Request) - Continued

RIDER S – COMMERCIAL SYSTEM RELIEF PROGRAM - Continued

J. Reservation Payment Option - Continued

- 2. Penalties and Adjustment for Non-performance Continued
 - b. Performance Factor

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

Except for participants in the Three-Year Incentive Period, 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 in the network, the Performance Factor is 1.00.

- c. Penalties
 - i. If the average kW of Load Relief provided for Planned Events in the current month is lower than the prior month's average kW of Load Relief for Planned Events or the contracted kW, whichever is lower, the Direct Participant or Aggregator will be subject to a Penalty. The penalty is equal to the Reservation Payment rate times the difference between the prior month's average kW or the contracted kW, whichever is lower, and the current (lower) average kW performed. If the current average kW performed is negative, 0 kW will be set as the current month's average kW performance.
 - ii. If a Direct Participant or Aggregator fails to arrange for the furnishing and installation of the metering and telecommunications service for an account, as required under section F, a penalty will be assessed for the kW enrolled for that account. Such penalty, assessed no more than once per year, will be equal to the Reservation Payment rate per kW times the kW of contracted Load Relief.

Issued by: Robert Hoglund, Senior Vice President & Chief Financial Officer, New York, NY