

Carol Teixeira NY Electric Pricing Manager

February 27, 2019

VIA ELECTRONIC MAIL

Honorable Kathleen H. Burgess, Secretary State of New York Public Service Commission Office of the Secretary, 19th Floor Three Empire State Plaza Albany, New York 12223-1350

RE: Case 15-E-0189 – Order Instituting Proceeding Regarding Dynamic Load Management and Directing Tariff Filings

Dear Secretary Burgess:

The attached Demand Response Incentive Statement ("DRIS"), issued by Niagara Mohawk Power Corporation d/b/a National Grid (the "Company"), is being transmitted for filing in accordance with the requirements of the Public Service Commission ("Commission"):

Demand Response Incentive Statement (DRIS), No. 5

Effective: May 1, 2019

This statement is being issued in compliance with Rules 61.10.1, 62.11.1, and 63.8 of the Company's tariff, P.S.C. No. 220 Electricity ("Tariff"), which require changes to the Company's Dynamic Load Management ("DLM") program incentives be provided upon 60 days' notice.

The Company makes this filing to effectuate changes to the current Designated Area Pricing incentives for Kenmore, New York. On November 15, 2018, the Company filed its DLM Programs Annual Report for 2018 Capability Period in compliance with the Commission's April 23, 2018 order in Cases 15-E-0189 *et al.* In that filing, the Company made proposed tariff changes for the DLM programs for the 2019 capability period, including draft pricing incentive statements proposed to be effective May 1, 2019. The Company is filing the attached DRIS to meet the 60 days' notice requirement of the Tariff.

As detailed in its 2018 DLM Programs Annual Report, the Company determined that another solution would be utilized in lieu of designated DLM program incentive pricing to alleviate the Company's distribution constraint in area of the Village of Kenmore. Since designated demand response through the Distribution Load Relief Program ("DLRP") will no longer be utilized in the Kenmore area, the Company is filing the attached statement to set the Designated Area Pricing incentive rates in Kenmore to zero. The Company will retain the DLRP for potential future use.

There are currently no customers participating in the DLRP in Kenmore. However, residential and small commercial customers in the Kenmore area are eligible to participate in the Company's

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Direct Load Control ("DLC") program. As described in the 2018 DLM Programs Annual Report, although the Company is discontinuing the coolControl program that specifically targeted such customers in the Kenmore area as a DLC program offering, customers in Kenmore who are currently participating in the Company's coolControl program are being notified of the change and encouraged to enroll in **ConnectedS**olutions which will continue to be offered by the Company in the 2019 capability period as a system-wide, peak shaving DLC program.

The Company is not revising the Company-wide pricing incentive rates for any of the DLM programs that will be offered in the 2019 capability period.

Please direct any action regarding this filing to the undersigned.

Sincerely,

/s/ Carol Teixeira

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