

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: December 1, 2003

Leaf No. 114
Revision: 0
Superseding Revision:

GENERAL INFORMATION

21. C.A.\$H.BACK Program:

PURPOSE:

In response to the Commission Order of March 20, 2001, in Case 00-E-2054, and the New York Independent System Operator's (NYISO) Day-Ahead Demand Response Program Manual, both of which may be revised, modified, amended, clarified, supplemented or superseded, the Company will provide a voluntary program, for load normally supplied and delivered by NYSEG, for eligible customers to curtail load. NYSEG's program, entitled C.A.\$H.BACK, implements the NYISO's day-ahead economic load-curtailement program. Under this program, a customer agrees to curtail load when their bid is submitted and accepted by the NYISO. The Company, at its discretion, will aggregate customer load reduction bids in whole 1 MW blocks, and submit them to the NYISO for consideration in the Day-Ahead market. The NYISO will determine if the submitted bids will reduce the total bid production costs and inform NYSEG of accepted bids. NYSEG will inform each customer if their bid is accepted and the applicable time period(s).

APPLICABLE TO THE USE OF SERVICE FOR:

For load normally supplied and delivered by NYSEG, this service applies to Commercial, Industrial and Public Authority customers taking service under S.C. 2, 3, 7, 13, or 14. This service is limited to customers who voluntarily agree to curtail and/or displace load at a single NYSEG service meter, amounting to at least 100 kW per hour of electric usage.

TERM:

The customer shall complete NYSEG's "C.A.\$H.BACK Program Customer Registration Form" and execute a "Participation Agreement." Any customer under contract to participate in this Day-Ahead Demand Response Program may not participate through another Demand Reduction Provider, including as a direct-customer or end-user of the NYISO.

CUSTOMER BASELINE LOAD ("CBL"):

The CBL will provide a reference to verify customer compliance with a scheduled curtailment. The CBL is determined in accordance with the NYISO Day-Ahead Demand Response Program Manual, Calculating Customer Baseline Load for DADRP. Load curtailments will be measured based on this CBL methodology.

BIDS:

A participating customer shall provide the Company with hourly demand reduction bids for a specific curtailment (minimum of 100 kW per hour of electric usage) and a bid price above which the load would not be consumed. Each bid of kW and price(s) must be received by the Company in accordance with the Participation Agreement and in time for NYSEG to meet NYISO Day-Ahead Economic Load Curtailment Program requirements.

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