GENERAL INFORMATION

47. Firm Gas Demand Response ("DR") for Commercial and Industrial Customers (continued)

iii. Test Events - continued

National Grid will conduct a Planned Test Event for all participants where customers will be required to enact their fuel switching, curtailment or load shifting strategies for a 3-hour period from 6AM-9AM. This Planned Test Event will occur early in the DR season, most likely in early December. Performance during this Planned Test Event will count towards customer Performance Factors, and customers will have the ability to earn Performance Payment incentives for any Net Daily Reductions during the Planned Test Event.
National Grid may also conduct an additional Mid-Winter Test Event by the end of February if no actual events have or are forecast to occur. The Mid-Winter Test Event will require customers to reduce gas load for a 3-hour period from 6AM-9AM. The Mid-Winter Test Event will also count towards a customer's Performance Factor and customers will have the ability to earn Performance Payment incentives for any Net Daily Reduction during the Mid-Winter Test Event.

iv. Event Notification

The Company will provide customers at least 20 hours' notice of a Demand Response Event, alerting customers by 10AM the day prior to an Event, at the latest. The Company will send Event notices using the customer's preferred method of communication (email and/or text). Customers will be asked to provide contact information for at least one (1) contact at each site being enrolled. Upon request, Aggregators may receive event notifications directly and bear the responsibility for communicating the Company's DR Event notices to their respective customers. Direct Participants will receive DR Event notices directly from National Grid.

8. Enrollment Volumes

Each year National Grid assigns Design Day consumption values ("Design Day Dths") to all customer accounts. These values are based on regression statistics calculated from historical monthly meter readings to predict customer and system-wide gas demand when the daily average temperature is -10 Degrees Fahrenheit (the "Design Day"). Where available, the Company will utilize hourly interval metering for customers to better refine Design Day consumption values for individual accounts.

National Grid further breaks down Design Day Dths into Design Peak Hour values ("Peak Hour Dths"), which can then be applied to specific DR Event windows to arrive at a customer's maximum potential Event Dekatherm ("Event Dth") reduction.

Customers wishing to participate in the program will be required to provide, subject to National Grid's review and acceptance, the committed dth reduction achievable during the applicable program's event windows.