

PSC NO. 220 ELECTRICITY  
NIAGARA MOHAWK POWER CORPORATION  
INITIAL EFFECTIVE DATE: MAY 1, 2018  
STAMPS: Issued in Compliance with Order issued April 19, 2018 in Case 15-E-0189.

LEAF: 263.28  
REVISION: 3  
SUPERSEDING REVISION: 2

## GENERAL INFORMATION

### 64. Dynamic Load Management (DLM) Surcharge

The Dynamic Load Management Surcharge provides for recovery from customers of costs incurred by the Company, and approved by the Commission, for demand response programs to ensure reliability needs are met. This surcharge applies to costs incurred in accordance with Rule No. 61- Distribution Load Relief Program, Rule No. 62-Commercial System Relief Program, and Rule No. 63-Direct Load Control Program.

64.1 The DLM surcharge is applicable to all customers taking service under P.S.C. 220 and 214 Electricity, regardless of supplier.

64.2 The Recovery of costs incurred for the Programs in Rule 61 and Rule 63 will be allocated to all P.S.C. 214 service classifications, and to all customers served at the secondary or primary voltage delivery levels of P.S.C. No. 220 Service Classifications 1, 1C, 2, 2D, 3, 3A, 4, 7 and 12, (applicability of SC12 customers will be in accordance with the terms of their individual contracts), except for EZR and EJP customers. The above allocations will be based on the non-coincident peak allocator from the Company's most current rate case ("ECOS"). The Recovery of Rule 62 Program costs will be allocated to all PSC 214 service classifications and to all customers in P.S.C. No. 220 Service Classifications 1, 1C, 2, 2D, 3, 3A, 4, 7 and 12, (applicability of SC12 customers will be in accordance with the terms of their individual contracts), except for EZR and EJP customers. The above allocations will be based on the transmission plant allocator from the Company's most current rate case ("ECOS").

64.3 The DLM surcharge will be set on an annual basis for the next twelve month billing periods and applied to customers on a forecasted sales volume basis.

64.3.1 The DLM will be collected from customers on a volumetric basis, per kWh for non-demand service classifications and per kW-mo for demand service classifications.

64.3.2 The DLM surcharge shall be determined by dividing the amount of total costs incurred by the Company for the prior year under these demand response programs by the annual forecasted sales or demand for each service classification. The per kW rate for demand customers will be further divided by twelve to establish a per kW-mo rate.

64.3.3 The DLM surcharge collected from customers will be subject to annual reconciliation for any over or under collection from the previous year. The DLM surcharge reconciliation over or under collections will be included in the amount of cost recovery in 64.3.2 above used to determine the DLM surcharge for the next year, inclusive of interest at the applicable customer deposit rate.

64.4 The DLM surcharge will be shown on statements filed with the Public Service Commission apart from this rate schedule not less than 3 days before its effective date.