

**P.S.C. NO. 3 ELECTRICITY
ORANGE AND ROCKLAND UTILITIES, INC.**

LEAF: 156.11

REVISION: 0

INITIAL EFFECTIVE DATE: July 1, 2015

SUPERSEDING REVISION:

Issued in compliance with Order in Cases 14-E-0423 and 15-E-0191 dated 6/18/2015.

GENERAL INFORMATION**13. SERVICE CLASSIFICATION RIDERS (Continued)****RIDER E (Continued)****COMMERCIAL SYSTEM RELIEF PROGRAM****RESERVATION PAYMENT OPTION (Continued)****(F) Performance Factor**

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

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, the Performance Factor is 1.00.

(G) Penalties

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.

(H) Performance Adjustment

A Performance Adjustment will be applied in calculating the Performance Factor if the Direct Participant or Aggregator requests in writing to provide Performance Adjusted kW.

Issued By: Timothy Cawley, President, Pearl River, New York